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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| NOMBER | ISSUE | Appendix or Section | Issue Description   | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|--------|-------|---------------------|---|---|---|---|
| 2      | 4, 9  | GT&C<br>1.72        | Definitions –<br>Local calls                                    | "Total Compensable Local Traffic" is Local, Virtual Foreign Exchange, Mandatory Local and Optional EAS traffic eligible for reciprocal compensation will be combined with traffic terminated to Internet Service Providers (ISPs) to determine the Total Compensable Local Traffic.In determining the Total Compensable Local Traffic, InterLATA toll and IXC-carried intraLATA toll are excluded, and will be subject to Meet Point Billing as outlined in the interconnection agreement and applicable tariffs.               | SBC had originally agreed to use the GT&C without change but are now changing that position. Level 3 would not have agreed to change the definition of local calls to something that Level 3 opposes.       | SBC does not believe that certain traffic (i.e. virtual foreign exchange) should be defined as local traffic. |
|        |       |                     |   | SBC PROPOSAL  |   |   |
|        | GT1   | GT&C<br>5.2         | Effective Date, Term, and Termination  Length of the agreement. | The term of this Agreement shall commence upon the Effective Date of this Agreement and shall expire three years after the Effective Date (the "Term"). Absent the receipt by one Party of written notice from the other Party at least within 180 days prior to the expiration of the Term to the effect that such Party does not intend to extend the Term, this Agreement shall remain in full force and effect on and after the expiration of the Term during the period while the parties negotiate a successor agreement. | Level 3 believes a 3 year term is appropriate given the amount of time and resources it must divert from investing in its facilities to negotiating and eventually litigating an interconnection agreement. | Unknown.  |
|        |       |                     |   | SBC PROPOSAL  |   |   |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description    | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|---------------------|----------------------|--|---|---|
| 9               | GT&C 7.2            | Assurance of Payment | Assurance of Payment may be requested by SBC-12STATE separately with respect to a specific State if in that State:  SBC PROPOSAL | The parties bill each other and pay each other on a state-by-state basis. Interconnection agreement terms, rates, conditions and disputes are individually determined by each state according to 47 U.S.C. § 252(e). Level 3's revisions are consistent with Section 252(e) and with the FCC's refusal to allow RBOCs to use their superior market power to extract uneconomic assurance of payments from competing carriers. | The parties will bill each other in the aggregate for all network elements. |
|                 |                     |                      | SDC I KOI OSAL   |   |   |

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|-----------------|------------------------|----------------------|--|--|--------------------------|
| 9               | GT&C<br>7.2.1          | Assurance of Payment | At the Effective Date CLEC had not already established satisfactory credit by having made at least twelve (12) consecutive months of timely payments to <a href="SBC-13STATE">SBC-13STATE</a> in that State for undisputed charges and/or appropriate escrow payments pursuant to Section 8 for disputed charges incurred as a CLEC(with no more than two (2) valid past due notices for undisputed amounts within that twelve (12) month period; or | The language is unclear and provides no benchmark for downgrade of credit, permitting SBC to leverage default provisions at will.  Level 3's edits are necessary to make this agreement consistent with federal law. | Unknown.                 |
|                 |                        |                      | SBC PROPOSAL   |  |                          |

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| NUMBER | Appendix or<br>Section | Issue Description    | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|--------|------------------------|----------------------|--|---|---|
|        | O GT&C<br>7.2.2.       | Assurance of payment | At any time on or after the Effective Date, there has been a significant and material impairment of the established credit, financial health, or credit worthiness of CLEC as compared to the status on the Effective Date. Such impairment will be determined from information available from financial sources, including but not limited to Moody's, Standard and Poor's, and the Wall Street Journal. Financial information about CLEC that may be considered includes, but is not limited to, investor warning briefs, rating downgrades, and articles discussing pending credit problems; or | Level 3 should only be required to issue an assurance if its credit worthiness really changes. Level 3's revisions are necessary because SBC could otherwise shop for a rating and trigger an assurance requirement regardless of whether Level 3's credit health actually changed. Level 3 includes reference to a hard date so that the Parties both measure credit worthiness based upon an objective and determinable period. | SBC should be able to receive an assurance of payment at any point in time. |
|        |                        |                      | <u> </u>   |   |   |

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|-----------------|------------------------|----------------------|---|---|--|
| 9               | GT&C<br>7.2.3          | Assurance of payment | CLEC fails to timely pay a bill rendered to CLEC by SBC-12STATE for the individual State (except such portion of a bill that is subject to a good faith, bona fide dispute and as to which CLEC has substantially complied with all requirements set forth in Section 9.3); provided that SBC-12STATE has likewise substantially complied with all requirements of this Agreement with respect to presentation of invoices and dispute resolution | Assurance of payment must be reasonably related to underlying credit worthiness. SBC's language is uncertain in application and scope, permitting it unreasonable and unparalleled leverage over competing carriers. Level 3's revisions reasonably limit assurance of payment to instances where extraordinary remedies such as specific performance are justified in the normal course of business. | SBC should be able to receive an assurance of payment from CLECs in the event that the CLEC fails to make a payment. |
|                 |                        |                      | SBC PROPOSAL  |   |  |

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|-----------------|------------------------|----------------------|--|---|--|
| 9               | GT&C<br>7.3.2          | Assurance of Payment | an unconditional, irrevocable standby bank letter of credit from a financial institution acceptable to <u>SBC-12STATE</u> naming the SBC owned ILEC(s) designated by <u>SBC-12STATE</u> for that <u>State</u> as the beneficiary(ies) thereof and otherwise in form and substance satisfactory to <u>SBC-12STATE</u> ("Letter of Credit"). <u>SBC PROPOSAL</u>   | See comments to GT&C Section 7.2 above.   | Unknown.   |
| 9, 15           | GT&C<br>7.8            | Assurance of payment | Notwithstanding anything else set forth in this Agreement, if <u>SBC-12STATE</u> makes a request for assurance of payment in accordance with the terms of this Section, then <u>SBC-12STATE</u> shall have no obligation thereafter to perform under this Agreement until such time as CLEC has furnished <u>SBC-12STATE</u> with the assurance of payment requested; <u>unless CLEC raises a good faith bona fide dispute with respect to the reasonableness of the request by SBC 12STATE; provided, however, that SBC-12STATE will permit CLEC a minimum of 10 (ten) Business Days to respond to a request for assurance of payment before invoking this Section.</u> | an extraordinary remedy<br>under common law of<br>contracts as well as the<br>UCC. SBC cannot be<br>permitted to unilaterally<br>require assurances | SBC should not be required to provide network elements to CLECs without an Assurance of Payment. |
|                 |                        |                      | <u>SBC PROPOSAL</u>  |   |  |

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|-----------------|------------------------|---|---|---|--|
| 9, 15           | GT&C<br>7.8.1          | Assurance of payment                              | If CLEC fails to <u>either</u> furnish the requested adequate assurance of payment on or before the date set forth in the request <u>or raise a good faith, bona fide dispute with respect to the reasonableness of the request, SBC-12STATE may also invoke the provisions set forth in Section 9.5 through Section 9.7-  SBC PROPOSAL</u>   | Same as above.  | Same as above.   |
| 11              | GT&C<br>8.8.1          | Billing and<br>Payment of<br>Charges              | Failure by the Non-Paying Party to pay any charges determined to be owed to the Billing Party within the time specified in Section 8.7 shall be grounds for termination of the Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products and services provided under this Agreement; provided, however that the Billing Party shall comply then with all procedures set forth under this and as otherwise set forth in applicable law regarding discontinuance of service and/or termination of this Agreement.  | Same as above.  | Same as Above.   |
| 9,11            | GT&C<br>9.2            | Nonpayment and<br>Procedures for<br>Disconnection | Failure to pay undisputed charges <u>may shall</u> be grounds for disconnection of Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products and services <u>for which undisputed payment has not been rendered furnished</u> under this Agreement. If a Party fails to pay any undisputed charges billed to it under this Agreement, including but not limited to any Late Payment Charges or miscellaneous charges ("Unpaid Charges"), and any portion of such Unpaid Charges remain unpaid after the Bill Due Date, the Billing Party will notify the Non-Paying Party in writing | Disconnection of service is an extraordinary remedy and cannot be permitted simply by virtue of the fact that SBC deems a bill undisputed. Both federal and most state laws | SBC should be able to disconnect service for nonpayment of a bill. |

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|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | that in order to avoid disruption or disconnection of the Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products and services for which undisputed payment has not been rendered under this Agreement, the Non-Paying Party must remit all Unpaid Charges to the Billing Party within fifteen (15) Calendar Days following receipt of the Billing Party's notice of Unpaid Charges. | require specific procedures for migration of customers to another carrier where termination of service by one carrier is truly necessary. Moreover, the Agreement provides SBC with more than reasonable methods for collecting upon debts and does not prohibit it from seeking other collection remedies available at law. SBC's language unnecessarily exaggerates its control over its existing market share. |                          |
|                 |                        |                   | SBC PROPOSAL  |   |                          |

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|-----------------|------------------------|---|--|--|--------------------------|
| 9, 11           | GT&C<br>9.3            | Nonpayment and<br>Procedures for<br>Disconnection | If the Non-Paying Party desires to dispute any portion of the Unpaid Charges, the Non-Paying Party must complete all of the following actions not later than ten(10) thirty (30) calendar Business Days following receipt of the Billing Party's notice of Unpaid Charges. | Thirty calendar days is reasonable and enough time to review the billings, establish escrow and provide proof of payment into the escrow. Ten days is commercially unreasonable. | Ten days is reasonable.  |
|                 |                        |   | SBC PROPOSAL   |  |                          |

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Level 3 identifies what it believes to be the basis of SBC's position. Level 3 does its best to characterize the SBC position, and does not represent that it is an accurate account of the actual SBC position. Level 3 had provided a copy of the DPL to SBC before May 25, 2004, but have not heard back from SBC on their proposed language or their position.

| ISSUE<br>NUMBER | Appendix or<br>Section                | Issue Description                           | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support   |
|-----------------|---------------------------------------|---|---|--|--|
| 9, 11           | GT&C<br>9.5.1,<br>9.5.1.1,<br>9.5.1.2 | Nonpayment and Procedures for Disconnection | If the Non-Paying Party fails to (a) pay any undisputed Unpaid Charges in response to the Billing Party's Section 9.2 notice, (b) deposit the disputed portion of any Unpaid Charges into an interest bearing escrow account that complies with all of the terms set forth in Section 8.4 within the time specified in Section 9.3, (c) timely furnish any assurance of payment requested in accordance with Section 7 or (d) make a payment in accordance with the terms of any mutually agreed payment arrangement, the Billing Party may, in addition to exercising any other rights or remedies it may have under Applicable Law, provide written demand to the Non-Paying Party for payment of any of the obligations set forth in (a) through (d) of this Section within ten (10) Business Days.  On the day that the Billing Party provides such written demand to the Non-Paying Party, the Billing Party may also exercise any or all of the following options:  9.5.1.1 suspend acceptance of any application, request or order from the Non-Paying Party for new or additional Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement; and/or  9.5.1.2 suspend completion of any pending application, request or order from the Non-Paying Party for new or additional Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement. | As stated above suspension of service is radical and should not be allowed under the open provisions proffered by SBC. Again, one unpaid dispute over a single service in one state allows SBC to completely terminate all services to the CLEC and its customers. The remedy is unreasonable. | SBC should be able to disconnect service for nonpayment of a bill. |

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|-----------------|------------------------|---|--|---|--|
|                 |                        |   | SBC PROPOSAL   |   |  |
| 9, 11           | GT&C<br>9.6.1.1        | Nonpayment and<br>Procedures for<br>Disconnection | 9.6.1 If the Non-Paying party fails to pay the Billing Party on or before the date specified in the demand provided under Section 9.5.1 of this Agreement, the Billing Party may, in addition to exercising any other rights or remedies it may have under Applicable Law,  9.6.1.1 cancel any pending application, request or order from the Non-Paying Party for new or additional Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement | See comments to General<br>Terms and Conditions,<br>Section 9.5, above. | See comments to GT&C Section 9.5, above. |
|                 |                        |   | SBC PROPOSAL   |   |  |
| 9, 11           | GT&C<br>9.6.1.2        | Nonpayment and<br>Procedures for<br>Disconnection | discontinue providing the specific Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services for which undisputed payment has not been rendered under this Agreement after notice to Non-Paying Party set forth in Section 9.5.1  | See: above comments.  | See comments above.                      |
|                 |                        |   | SBC PROPOSAL   |   |  |

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|-----------------|------------------------|---|--|--|---|
| 9, 11           | GT&C<br>9.7.2.2.       | Nonpayment and<br>Procedures for<br>Disconnection | disconnect the specific Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services for which undisputed payment has not been rendered under this Agreement after notice to Non-Paying Party set forth in Section 9.5.1   | See: above comments.   | See comments above.   |
|                 |                        |   | SBC PROPOSAL   |  |   |
| GT-2            | GT&C<br>21             | Intervening Law                                   | This Agreement is entered into as a result of both negotiations between the Parties and the incorporation of results of orders, rules and arbitration decisions of the Commissions, and/or FCC. If any of the rates, terms and/or conditions herein, or any of the laws or regulations that were the basis or rationale for such rates, terms and/or conditions in the Agreement, are invalidated, modified or stayed by any effective action of any state or federal regulatory or legislative bodies or courts of competent jurisdiction, including any decision by the Eighth Circuit relating to any of the costing/pricing rules adopted by the FCC in its First Report and Order, <i>In rec. Implementation of the Local Competition Provisions in the Telecommunications Act of 1996</i> , 11 FCC Red 15499 (1996)(e.g., Section 51.501, et seq.), upon review and remand from the United States Supreme Court, in <i>AT&amp;T Corp. v. Iowa Utilities Bd.</i> , 119 S. Ct. 721 (1999) or <i>Ameritech v. FCC</i> , No. 98 1381, 1999 WL 116994, 1999 Lexis 3671 (June 1, 1999), the affected provision shall be immediately invalidated, modified, or stayed, consistent with the action of the legislative body, court, or regulatory agency upon the written request of either Party. In such event, | The proposed changes make the section more consistent with the General Terms and Conditions, Section 49, which governs Intervening Law provisions. Further, the current state of the law is what it is. Level 3 sees no reason to specifically list a number of orders implementing the Act. | The parties should acknowledge the effect of these court decisions. |

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|-----------------|---------------------|-------------------|--|---|--------------------------|
|                 |                     |                   | the Parties shall expend diligent efforts to arrive at an agreement regarding the appropriate conforming modifications to the Agreement. If negotiations fail, disputes between the Parties concerning the interpretation of the actions required or provisions affected by such governmental actions shall be resolved pursuant to the Dispute Resolution process provided for in this Agreement. Without limiting the general applicability of the foregoing, the Parties acknowledge that on January 25, 1999, the United States Supreme Court issued its opinion in AT&T Corp. v. Iowa Utilities Bd., 119 S. Ct. 721 (1999) and on June 1, 1999, the United States Supreme Court issued its opinion in Ameritech v. FCC, No. 98-1381, 1999 WL 116994, 1999 Lexis 3671 (1999). The Parties further acknowledge and agree that by executing this Agreement, neither Party waives any of its rights, remedies, or arguments with respect to such decisions and any remand thereof, including its rights under this Intervening Law paragraph. |   |                          |
|                 |                     |                   | This Agreement is the result of negotiations between the Parties and may incorporate certain provisions that resulted from arbitration by the appropriate state Commission(s). In entering into this Agreement and any Amendments to such Agreement and carrying out the provisions herein, neither Party waives, but instead expressly reserves, all of its rights, remedies and arguments with respect to any orders, decisions, legislation or proceedings and any remands thereof and any other federal or state regulatory, legislative or judicial action(s),  |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | including, without limitation, its intervening law rights relating to the  |   |                          |
|                 |                        |                   | following actions, which the Parties have not yet fully incorporated   |   |                          |
|                 |                        |                   | into this Agreement or which may be the subject of further   |   |                          |
|                 |                        |                   | government review. : the United States Supreme Court's opinion in Verizon v.   |   |                          |
|                 |                        |                   | FCC, et al, 535 U.S. 467 (2002); the D.C. Circuit's decision in United States Telecom  |   |                          |
|                 |                        |                   | Association, et al. ("USTA") v. FCC, 290 F.3d 415 (D.C. Cir. 2002) and following   |   |                          |
|                 |                        |                   | remand and appeal, the D.C. Circuit's March 2, 2004 decision in USTA v. FCC, Case  |   |                          |
|                 |                        |                   | No. 00-1012 (D.C. Cir. 2004); the FCC's Triennial Review Order, released on August   |   |                          |
|                 |                        |                   | 21, 2003, In the Matter of Review of the Section 251 Unbundling Obligations of   |   |                          |
|                 |                        |                   | Incumbent Local Exchange Carriers, CC Docket No. 01-338, Implementation of the   |   |                          |
|                 |                        |                   | Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No.  |   |                          |
|                 |                        |                   | 96-98, Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147 (FCC 03-36) and the FCC's Biennial Review |   |                          |
|                 |                        |                   | Proceeding which the FCC announced, in its Triennial Review Order, is scheduled to   |   |                          |
|                 |                        |                   | commence in 2004; the FCC's Supplemental Order Clarification (FCC 00-183) (rel.  |   |                          |
|                 |                        |                   | June 2, 2000), in CC Docket 96-98; and the FCC's Order on Remand and Report and  |   |                          |
|                 |                        |                   | Order in CC Dockets No. 96-98 and 99-68, 16-FCC Rcd 9151 (2001), (rel. April 27,   |   |                          |
|                 |                        |                   | 2001) ("ISP Compensation Order"), which was remanded in WorldCom, Inc. v. FCC,   |   |                          |
|                 |                        |                   | 288 F.3d 429 (D.C. Cir. 2002), and as to the FCC's Notice of Proposed Rulemaking   |   |                          |
|                 |                        |                   | on the topic of Intercarrier Compensation generally, issued In the Matter of   |   |                          |
|                 |                        |                   | Developing a Unified Intercarrier Compensation Regime, in CC Docket 01-92 (Order   |   |                          |
|                 |                        |                   | No. 01-132), on April 27, 2001 (collectively "Government Actions"). Notwithstanding  |   |                          |
|                 |                        |                   | anything to the contrary in this Agreement (including any amendments to this   |   |                          |
|                 |                        |                   | Agreement), SBC-13STATE shall have no obligation to provide UNEs, combinations   |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | of UNEs, combinations of UNE(s) and CLEC's own elements or UNEs in commingled arrangements beyond those required by the Act, including the lawful and effective FCC rules and associated FCC and judicial orders.  With the exception of the explicit waivers in the First Amendment and Second Amendment for the time period of September 1, 2000 through December 31, 2004, each Party fully reserves all of its rights, remedies and arguments with respect to any decisions, orders or proceedings, including but not limited to its right to dispute whether any UNEs and/or UNE combinations identified in the Agreement and this Amendment must be provided under Sections 251(c)(3) and 251(d) of the Act, and under this Agreement. |   |                          |
|                 |                        |                   | SBC PROPOSAL   |   |                          |

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|-----------------|------------------------|---|--|--|--|
|                 | GT&C<br>32             | Hazardous Substances and Responsibility for Environmental Contamination | Each Party shall be solely responsible at its own expense (including costs, fines, and fees) for the proper handling, use, removal, excavation, storage, treatment, transport, disposal, legal disposition, or any other management by such Party or any person acting on its behalf of all Hazardous Substances and Environmental Hazards introduced to the affected work location and will perform such activities in accordance with Applicable Law | Level 3 has the position that each party should be responsible for hazardous materials it generates. Level 3 will look at language that allows responsibility where a hazardous material is found on a premises that is neither SBC's or Level 3's but where an SBC or Level 3 employee, agent or subcontractor takes custody of the hazardous material. It may then become that parties responsibility. | Level 3 should be jointly and severally liable for all hazardous material. |
|                 |                        |   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|--|--------------------------|
| 2               | NIM<br>1.1             | Introduction      | This Appendix describes the physical architecture for Interconnection of the Parties' facilities and equipment for the transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic between the respective Customers of the Parties pursuant to Section 251(c)(2) of the Act; provided, however, Interconnection may not be used solely for the purposes not permitted under the Act. of originating a Party's own interexchange traffic.   | Level 3's changes clarify<br>the basis by which NIM<br>provisions are<br>authorized.   | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |  |                          |
| GT-3            | NIM<br>1.2             | Introduction      | SBC Communications Inc. (SBC) means the holding company which directly or indirectly owns the following ILECs: Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company d/b/a SBC Connecticut, Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |  |                          |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| NOMBEN | ISSUE | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|--------|-------|------------------------|-------------------|--|--|--------------------------|
|        | GT-3  | NIM<br>1.3             | Introduction      | SBC-2STATE - As used herein, SBC-2STATE means SBC CALIFORNIA and SBC NEVADA, the applicable SBC owned ILEC(s) doing business in California and Nevada.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|        |       |                        |                   | SBC PROPOSAL   |  |                          |
|        | GT-3  | NIM<br>1.4             | Introduction      | SBC-4STATE - As used herein, SBC-4STATE means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, and SBC Oklahoma the applicable SBC owned ILEC(s) doing business in Arkansas, Kansas, Missouri and Oklahoma. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|        |       |                        |                   | SBC PROPOSAL   |  |                          |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|--|--------------------------|
| GT-3            | NIM<br>1.5             | Introduction      | SBC-7STATE - As used herein, SBC-7STATE means SBC SOUTHWEST REGION 5-STATE, SBC CALIFORNIA and SBC NEVADA, the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma, and Texas.                             | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |
| GT-3            | NIM<br>1.6             | Introduction      | SBC-8STATE As used herein, SBC-8STATE means SBC SOUTHWEST REGION 5-STATE, SBC CALIFORNIA, SBC NEVADA, and SBC CONNECTICUT the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Kansas, Missouri, Nevada, Oklahoma, and Texas. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |

Plain Text indicates where Level 3 believes the Parties have agreed to the text.

Tier 1 = 1-8Tier 2 = 9-20

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SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|--|--------------------------|
| GT-3            | NIM<br>1.7             | Introduction      | SBC-10STATE As used herein, SBC-10STATE means SBC SOUTHWEST REGION 5-STATE and SBC MIDWEST REGION 5-STATE and the applicable SBC-owned ILEC(s) doing business in Arkansas, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Texas, and Wisconsin.                             | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |  |                          |
| GT-3            | NIM<br>1.8             | Introduction      | SBC-12STATE As used herein, SBC-12STATE means SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5-STATE and SBC-2STATE the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |  |                          |

Plain Text indicates where Level 3 believes the Parties have agreed to the text.

Tier 1 = 1-8Tier 2 = 9-20

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SBC's Proposed Language should be inserted by SBC.

| MOMBEL | ISSUE | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|--------|-------|------------------------|-------------------|---|--|--------------------------|
|        | GT-3  | NIM<br>1.9             | Introduction      | SBC-13STATE As used herein, SBC-13STATE means SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5-STATE, SBC-2STATE and SBC-CONNECTICUT the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|        |       |                        |                   | SBC PROPOSAL  |  |                          |
|        | GT-3  | NIM<br>1.10            | Introduction      | SBC ARKANSAS - As used herein, SBC ARKANSAS means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, the applicable SBC owned ILEC doing business in Arkansas  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|        |       |                        |                   | SBC PROPOSAL  |  |                          |

Plain Text indicates where Level 3 believes the Parties have agreed to the text.

Tier 1 = 1-8Tier 2 = 9-20

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SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|--|--------------------------|
| GT-3            | NIM<br>1.11            | Introduction      | SBC CALIFORNIA — As used herein, SBC CALIFORNIA means Pacific Bell Telephone Company d/b/a SBC California, the applicable SBC owned ILEC doing business in California. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |
| GT-3            | NIM<br>1.12            | Introduction      | SBC CONNECTICUT - As used herein, SBC CONNECTICUT means The Southern New England Telephone Company, the applicable above listed ILEC doing business in Connecticut.    | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|--|--------------------------|
| GT-3            | NIM<br>1.13            | Introduction      | SBC KANSAS - As used herein, SBC KANSAS means Southwestern Bell Telephone, L.P. d/b/a SBC Kansas, the applicable SBC owned ILEC doing business in Kansas.       | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown <u>.</u>         |
|                 |                        |                   | SBC PROPOSAL  |  |                          |
| GT-3            | NIM<br>1.14            | Introduction      | SBC ILLINOIS - As used herein, SBC ILLINOIS means Illinois Bell Telephone Company d/b/a SBC Illinois, the applicable SBC owned ILEC doing business in Illinois. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |  |                          |

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Tier 1 = 1-8Tier 2 = 9-20

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SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|--|--------------------------|
| GT-3            | NIM<br>1.15            | Introduction      | SBC INDIANA - As used herein, SBC INDIANA means Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, the applicable SBC owned ILEC doing business in Indiana. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |  |                          |
| GT-3            | NIM<br>1.16            | Introduction      | SBC MICHIGAN - As used herein, SBC MICHIGAN means Michigan Bell Telephone Company d/b/a SBC Michigan, the applicable SBC owned doing business in Michigan.              | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |  |                          |

Plain Text indicates where Level 3 believes the Parties have agreed to the text.

Tier 1 = 1-8Tier 2 = 9-20

Underlined Text (i.e. text) indicates where Level 3 believes that SBC does not agree with Level 3's proposal.

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|--|--------------------------|
| GT-3            | NIM<br>1.17            | Introduction      | SBC MIDWEST REGION 5-STATE — As used herein, SBC MIDWEST REGION 5-STATE means Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Ohio, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
| GT-3            | NIM<br>1.18            | Introduction      | SBC PROPOSAL  SBC MISSOURI - As used herein, SBC MISSOURI means Southwestern Bell Telephone, L.P. d/b/a SBC Missouri, the applicable SBC-owned ILEC doing business in Missouri.  SBC PROPOSAL  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |

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Tier 1 = 1-8Tier 2 = 9-20

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SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|--|--------------------------|
| GT-3            | NIM<br>1.19            | Introduction      | SBC NEVADA - As used herein, SBC NEVADA means Nevada Bell Telephone Company d/b/a SBC Nevada, the applicable SBC owned ILEC doing business in Nevada. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown                  |
|                 |                        |                   | SBC PROPOSAL  |  |                          |
| GT-3            | NIM<br>1.20            | Introduction      | SBC OHIO - As used herein, SBC OHIO means The Ohio Bell Telephone Company d/b/a SBC Ohio, the applicable SBC owned ILEC doing business in Ohio.       | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |  |                          |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|--|--------------------------|
| GT-3            | NIM<br>1.21            | Introduction      | SBC OKLAHOMA - As used herein, SBC OKLAHOMA means Southwestern Bell Telephone, L.P. d/b/a SBC Oklahoma, the applicable SBC-owned ILEC doing business in Oklahoma.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |
| GT-3            | NIM<br>1.22            | Introduction      | SBC SOUTHWEST REGION 5-STATE - As used herein, SBC SOUTHWEST REGION 5-STATE means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |

Plain Text indicates where Level 3 believes the Parties have agreed to the text.

Level 3's proposal. Tier 2 = 9-20

Tier 1 = 1-8

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SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|--|--------------------------|
| GT-3            | NIM<br>1.23            | Introduction      | SBC TEXAS As used herein, SBC TEXAS means Southwestern Bell Telephone, L.P. d/b/a SBC Texas, the applicable SBC owned ILEC doing business in Texas.      | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |
| GT-3            | NIM<br>1.24            | Introduction      | SBC WISCONSIN - As used herein, SBC WISCONSIN means Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC owned ILEC doing business in Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |

Tier 1 = 1-8

Tier 2 = 9 - 20

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SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section            | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|-----------------------------------|-------------------|---|--|--|
| GT-3            | NIM<br>1.25,<br>1.25.1,<br>1.25.2 | Introduction      | Network Interconnection Methods (NIMs) include, but are not limited to, Physical Collocation Interconnection; Virtual Collocation Interconnection; Leased Facilities Interconnection; Fiber Meet Interconnection; and other methods as mutually agreed to by the Parties. One or more of these methods may be used to effect the Interconnection.  1.25.1 Trunking requirements associated with Interconnection are contained in Appendix ITR.  1.25.2 The terms and conditions associated with access to Unbundled Network Elements (UNEs) are not found in Appendix NIM, but are contained in Appendix UNE. SBC CONNECTICUT Unbundled Network Elements are offered via the Connecticut Access Tariff. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                                   |                   | SBC PROPOSAL  |  |  |
| GT-3            | NIM<br>1.26                       | Introduction      | <u>SBC-13STATE</u> shall provide Interconnection for CLEC's facilities and equipment for the transmission and routing of telephone exchange service and exchange access, at a level of quality that is equal to that which <u>SBC-13STATE</u> provides itself, a subsidiary, an affiliate, or any other party to which <u>SBC-13STATE</u> provides Interconnection and on rates, terms and conditions that are just, reasonable and non-discriminatory.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                                   |                   | SBC PROPOSAL  |  |  |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| NUMBER | Appendix or Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support                             |
|--------|---------------------|-------------------|--|---|--|
| G      | Γ-3 NIM<br>1.27     | Introduction      | The Parties shall effect an Interconnection that is efficient, fair and equitable with each party being financially responsible for approximately half of the Interconnection facilities or in any other manner that is mutually agreeable to the Parties.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict.                        | The language is introductory and should be included. |
|        |                     |                   | SBC PROPOSAL   |   |  |
| NI     | M- NIM<br>1 1.25    | Introduction      | Network Interconnection Methods (NIMs) include, but are not limited to, Physical Collocation Interconnection; Virtual Collocation Interconnection; Leased Facilities Interconnection; Fiber Meet Interconnection; and other methods as mutually agreed to by the Parties or according to Applicable Law. One or more of these methods may be used to effect the Interconnection. | Level 3's change clarifies that the definition of NIM includes those methods required by a court or an agency and may not be used for purposes not permitted under the law. | Unknown.   |
|        |                     |                   | SBC PROPOSAL   |   |  |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|---|---|---|---|
| NIM-<br>1       | NIM<br>1.27            | Introduction                                    | The Parties shall effect an Interconnection that is efficient, fair and equitable with each party being financially responsible for approximately half of the Interconnection facilities according to Section 251(c)(2) of the Act as interpreted by the FCC, state commissions and/or state and/or federal courts or in any other manner that is mutually agreeable to the Parties   | SBC's language (without Level 3's addition), violates certain sections of the Act. Level 3 proposes to strike SBC's underlined language.  | Unknown.  |
| 1               | NIM<br>2.1             | Network<br>Interconnection<br>Architecture Plan | LEVEL 3 and SBC-13STATE agree to Interconnect their networks according to the requirements of the Act, including but not limited to Section 251(c)(2) of the Act. Accordingly, the parties agree to interconnect their networks at a single location per LATA or greater sized area considering that SBC is no longer restricted from carrying traffic across LATA boundaries. The parties also agree that distance is irrelevant to cost. Therefore connecting at a single point per LATA, state or region represents a balanced and fair method of interconnection. The physical architecture plan will, therefore specify the location of LEVEL 3's switch(es) and SBC-13STATE's Tandem switch(es) to be interconnected. Each party agrees that it is solely responsible for the costs of establishing points of interconnection and each is solely responsible for bringing its traffic to those sole points of interconnection. Accordingly, neither party will bill the other party any non-recurring or recurring costs for establishing points of interconnection because both parties recognize that doing so is simply unfairly shifting costs in contravention of the five federal circuit courts of appeal that have ruled on this issue. | The federal Act and various state agencies permit Level 3 to select a SPOI per LATA and requires SBC to deliver traffic originating on its network to the SPOI at no charge to Level 3. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |

Plain Text indicates where Level 3 believes the Parties have agreed to the text.

Tier 1 = 1-8 yel 3's proposal. Tier 2 = 9-20

Underlined Text (*i.e.* <u>text</u>) indicates where Level 3 believes that SBC does not agree with Level 3's proposal.

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | SBC-13STATE's network is partly comprised of End Office switches,  Tandem switches that serve local only traffic (SBC) |   |                          |
|                 |                        |                   | SOUTHWEST REGION 5-STATE), Tandem switches that  |   |                          |
|                 |                        |                   | serve IntraLATA and InterLATA traffic, and Tandem switches   |   |                          |
|                 |                        |                   | that serve a combination of local, IntraLATA and InterLATA   |   |                          |
|                 |                        |                   | traffic. SBC-13STATE's network architecture in any given   |   |                          |
|                 |                        |                   | local exchange area and/or LATA can vary markedly from   |   |                          |
|                 |                        |                   | another local exchange area/LATA. Using one or more of the   |   |                          |
|                 |                        |                   | NIMs herein, the Parties will agree to a physical architecture   |   |                          |
|                 |                        |                   | plan for a specific Interconnection area. Due to differing state   |   |                          |
|                 |                        |                   | regulatory calling scope requirements, SBC SOUTHWEST   |   |                          |
|                 |                        |                   | REGION 5-STATE requires Interconnection in each local  |   |                          |
|                 |                        |                   | exchange area, while SBC CONNECTICUT, SBC  |   |                          |
|                 |                        |                   | CALIFORNIA, SBC NEVADA and SBC MIDWEST   |   |                          |
|                 |                        |                   | REGION 5-STATE require Interconnection at all Tandems in a   |   |                          |
|                 |                        |                   | LATA. CLEC and SBC-13STATE agree to Interconnect their   |   |                          |
|                 |                        |                   | networks through existing and/or new Interconnection facilities  |   |                          |
|                 |                        |                   | between CLEC switch(es) and SBC-13STATE End Office(s)  |   |                          |
|                 |                        |                   | and/or Tandem switch(es). The physical architecture plan will,   |   |                          |
|                 |                        |                   | at a minimum, include the location of CLEC's switch(es) and  |   |                          |
|                 |                        |                   | SBC-13STATE's End Office switch(es) and/or Tandem  |   |                          |
|                 |                        |                   | switch(es) to be interconnected,   |   |                          |
|                 |                        |                   |  |   |                          |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|---|--|---|---|
|                 |                        |   | SBC PROPOSAL   |   |   |
| 1               | NIM 2.2                | Network<br>Interconnection<br>Architecture Plan | Each Party, at its own expense, shall provide transport facilities to the technically feasible point(s) of interconnection on SBC-13STATE's network in a LATA selected by Level 3. Notwithstanding any other language contained in this Agreement, including schedules and attachments hereto, this section 2.2 shall be interpreted to permit Level 3 the sole right to select and maintain one or more technically feasible points of interconnection on SBC-13STATE's network, including preexisting Level 3 points of interconnection. In the event of a network rearrangement by SBC-13STATE, including a tandem rehoming, the point of interconnection shall not change unless Level 3 so requests. In the event of such a network rearrangement by SBC-13STATE, this section 2.2 shall be interpreted to require SBC-13STATE to continue to provide transport from the existing point of interconnection and Level 3 shall pay SBC-13STATE no more than the reciprocal compensation rate that it paid before the network rearrangement occurred. Level 3 shall have the right to designate additional points of interconnection in its sole discretion and subject to technical feasibility. In the event of a conflict between this section 2.2 and any other provision of or amendment to this Agreement, this section 2.2 shall govern. Points of Interconnection (POIs): A Point of Interconnection (POI) is a point in the network where the Parties deliver Interconnection traffic to each other, and also serves as a demarcation point between the facilities that each Party is responsible to provide. In many cases, multiple POI(s) will be necessary to | The federal Act and various state agencies permit Level 3 to select a SPOI per LATA and requires SBC to deliver traffic originating on its network to the SPOI at no charge to Level 3. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|---|--|---|---|
|                 |                        |   | balance the facilities investment and provide the best technical implementation of Interconnection requirements to each Tandem within an exchange area and/or LATA. Both parties shall negotiate the architecture in each location that will seek to mutually minimize and equalize investment.  SBC PROPOSAL  |   |   |
| 1               | NIM<br>2.3             | Network<br>Interconnection<br>Architecture Plan | The Parties agree to meet as often as necessary to negotiate the selection of new POIs. The overall goal of POI selection will be to achieve a balance in the provision of facilities that is fair to both Parties is to comply with the requirements of the Act. Criteria to be used in determining POIs for each geography (LATA, tandem area, etc.) include existing facility capacity, location of existing POIs, traffic volumes, relative costs, future capacity needs, etc. Agreement to the location of POIs is based on the network architecture existing at the time the POI(s) is/are negotiated. In the event either Party makes subsequent changes to its network architecture, including but not limited to trunking changes or adding new switches, then the Parties will negotiate new POIs. The mutually agreed to POIs will be documented and distributed to both Parties. | The federal Act and various state agencies permit Level 3 to select a SPOI per LATA and requires SBC to deliver traffic originating on its network to the SPOI at no charge to Level 3. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                 |                        |   | SBC PROPOSAL   |   |   |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|---|---|---|---|
| NIM-<br>1       | NIM<br>2.4             | Network<br>Interconnection<br>Architecture Plan | Each Party is responsible for the facilities to its side of the negotiated POI(s) and may utilize any technically feasible method of Interconnection including those described in this Appendix. Each Party is responsible for the appropriate sizing, operation, and maintenance of the transport facility to the POI(s). The parties agree to provide sufficient facilities for the Interconnection trunk groups required for the exchange of traffic between CLEC and SBC-13STATE. | The federal Act and various state agencies permit Level 3 to select a SPOI per LATA and requires SBC to deliver traffic originating on its network to the SPOI at no charge to Level 3. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
| 1               | NIM<br>2.5             | Network<br>Interconnection<br>Architecture Plan | Either Party, must provide thirty (30) days written notice of any intent to change to the physical architecture plan.  SBC PROPOSAL   | SBC's provision is at odds with federal notice of network changes requirements.   | SBC needs to be able to quickly modify Level 3's architecture plan to accommodate changing conditions.            |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|---|--|---|---|
| 1               | NIM<br>2.6             | Network<br>Interconnection<br>Architecture Plan | CLEC is solely responsible for the facilities that carry OS/DA and, 911, mass calling and Meet-Point trunk groups as specified in Appendix ITR, however, for the facilities that carry mass calling and Meet-Point trunk groups, the Parties shall be responsible in accordance with their obligations to bring traffic to the single POI. | The federal Act and various state agencies permit Level 3 to select a SPOI per LATA and requires SBC to deliver traffic originating on its network to the SPOI at no charge to Level 3. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
| 1               | NIM<br>2.7             | Network<br>Interconnection<br>Architecture Plan | If Level 3 has established Collocation in an SBC-13STATE End Office, that Collocation may serve as an additional POI in a LATA per mutual agreement of the Parties the facility for the Direct End Office Trunks (DEOTS) to that End Office shall be the financial responsibility of CLEC.   | LEVEL 3 wants financially responsibility proportionate to use.  | Unknown.  |
|                 |                        |   | SBC PROPOSAL   |   |   |

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with Level 3's proposal

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Tier 2 = 9 - 20

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| NUMBER    | Appendix or<br>Section | Issue Description                               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------|------------------------|---|--|---|--------------------------|
| NI        | M NIM<br>2 2.8.2       | Network<br>Interconnection<br>Architecture Plan | Electrical handoffs at the POI(s) will be at the DS1 or DS3 level, <u>but this</u> does not preclude either party from requesting and establishing optical handoffs between their networks, which handoffs both parties agree are technically feasible. When a DS3 handoff is agreed to by the Parties, <u>SBC-13STATE</u> will provide any multiplexing required for DS1 facilities or trunking at their end and CLEC will provide any DS1 multiplexing required for facilities or trunking at their end. | Level 3 feels clarity is needed on availability of optical handoffs between the 2 networks. | Unknown.                 |
| NIN<br>NI | 1, 2.8.3               | Network<br>Interconnection<br>Architecture Plan | When the Parties demonstrate the need for Optical handoffs at the OC-n level, the parties will meet to negotiate specific Optical handoff needs, but SBC will offer Level 3 the same terms and conditions that it has provided to any other CLEC or that it provides to itself upon Level 3's request.  SBC PROPOSAL   | Level 3 feels clarity is needed on availability of optical handoffs between the 2 networks. | Unknown                  |

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| ISSUE    | Appendix or<br>Section | Issue Description          | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support    |
|----------|------------------------|----------------------------|--|---|-----------------------------|
| NIM<br>3 | NIM<br>3.1.1           | Methods of Interconnection | When CLEC provides their own facilities or uses the facilities of a 3 <sup>rd</sup> party to a <b>SBC-13STATE</b> Tandem or End Office and wishes to place their own transport terminating equipment at that location, CLEC may Interconnect using the provisions of Physical Collocation as set forth in Appendix Physical Collocation or applicable state tariff or according to FCC Rules including but not limited to the FCC's collocation remand order ( <i>In The Matter Of Deployment Of Wireline Services Offering Advanced Telecommunications Capability</i> , CC Docket No. 98-147, 2001 WL 893313 (F.C.C.), 16 F.C.C.R. 15,435, (Rel. August 8, 2001).   | Level 3 proposes a clarification that governs the manner in which SBC is obligated to provide collocated space at its facilities. | No clarification is needed  |
| NIM<br>3 | NIM<br>3.2.1           | Methods of Interconnection | When CLEC provides their own facilities or uses the facilities of a 3 <sup>rd</sup> party to a <b>SBC-13STATE</b> Tandem or End Office and requests that <b>SBC-13STATE</b> place transport terminating equipment at that location on the CLEC's behalf, the CLEC may Interconnect using the provisions of Virtual Collocation as set forth in Appendix Virtual Collocation. or according to FCC Rules including but not limited to the FCC's collocation remand order ( <i>In The Matter Of Deployment Of Wireline Services Offering Advanced Telecommunications Capability</i> , CC Docket No. 98-147, 2001 WL 893313 (F.C.C.), 16 F.C.C.R. 15,435, (Rel. August 8, 2001) Virtual Collocation allows CLEC to choose the equipment vendor and does not require that CLEC be Physically Collocated | Level 3 proposes a clarification that governs the manner in which SBC is obligated to provide collocated space at its facilities. | No clarification is needed. |
|          |                        |                            | <u>SBC PROPOSAL</u>  |   |                             |

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| ISSUE<br>NUMBER         | Appendix or<br>Section | Issue Description          | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support    |
|-------------------------|------------------------|----------------------------|--|--|-----------------------------|
| NIM-<br>1,<br>NIM<br>3  | NIM<br>3.3.1           | Methods of Interconnection | Where facilities are available, CLEC may lease facilities from SBC-13STATE on terms and conditions no less favorable than SBC-13STATE provides to itself or any other CLEC, IXC or any other regulated carrier, whether such terms and conditions are subject to Title 2 of the Act, as defined in Section 5 of this Appendix. | Level 3's changes make clear that the provisioning of interconnection must be nondiscriminatory so as to be consistent with the federal Act. | No clarification is needed. |
| NIM-<br>1,<br>NIM-<br>3 | NIM<br>3.4.2           | Methods of Interconnection | When the Parties agree to interconnect their networks pursuant to the Fiber Meet, SBC prefers that the Parties use a single point-to-point linear chain SONET system must be utilized, but this in no way restricts the Parties from using any technically feasible method. Only Interconnection tranking shall                | Allows Level 3 to keep control over the development of its own   | Unknown.                    |
| 3                       |                        |                            | using any technically feasible method. Only Interconnection trunking shall be provisioned over this jointly provided facility  SBC PROPOSAL  | network systems.   |                             |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description           | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support   |
|-----------------|------------------------|-----------------------------|--|---|--|
| 1,<br>NIM-<br>6 | NIM<br>4.1             | Responsibilities of Parties | For each local Interconnection within an SBC-13STATE area, CLEC shall provide written notice to SBC-13STATE of the need to establish Interconnection in each local exchange area when establishing a POI. (SBC SOUTHWEST REGION 5-STATE) or LATA (SBC CALIFORNIA, SBC NEVADA, SBC CONNECTICUT and SBC MIDWEST REGION 5-STATE).CLEC—The parties agree that they will exchange necessary information on forms and in a manner than ensures that they can quickly and efficiently establish such POIs. Level 3 mayshall provide all applicable network information on forms acceptable to SBC-13STATE (as set forth in SBC's CLEC Handbook, published on the CLEC website.)   | Level 3 wishes to expedite the interconnection process. The proposed language will remove unnecessary delays and hurdles. | There are different requirements for interconnection in the different SBC operating territories. |
|                 |                        |                             | SBC PROPOSAL   |   |  |
| 1,<br>NIM-<br>6 | NIM<br>4.2             | Responsibilities of Parties | Upon receipt of CLEC's notice to interconnect, the Parties shall schedule a meeting to negotiate and mutually agree on the network architecture only if the architecture varies from that established in this agreement. Otherwise, the Parties will meet within 30 days of CLEC's request to establish a POI for the sole purpose of establishing a POI according to acceptable industry practices and previously established practices. (including trunking) to be documented as discussed in Section 2.1. The Interconnection activation date for an Interconnect shall be established based on then-existing force and load, the scope and complexity of the requested Interconnection and other relevant factors, but it will be no later than 120 days after the CLEC's initial request. | Level 3 wishes to expedite the interconnection process. The proposed language will remove unnecessary delays and hurdles. | Level 3's proposed language is not necessary.  |

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| ISSUE<br>NUMBER    | Appendix or<br>Section |                    | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|--------------------|------------------------|--------------------|-------------------|--|--|--------------------------|
|                    |                        |                    |                   | SBC PROPOSAL   |  |                          |
| NIM-<br>5,<br>GT-2 | NIM<br>5.1             | Leasing Facilities | of                | 5.12 5.15 5.15 5.15 5.20 5.15 FACILITIES  5.15 FACILITIES  5.15 Sould SBC 13STATE wish to voluntarily provide CLEC with Leased ILEC Facilities for the purpose of interconnection, the Parties agree that this voluntary offering is not required under FTA 96 nor under FCC UNE Remand Order 99-238, November 5, 1999, and is made with all rights reserved. The Parties further agree that any such voluntary offering is not subject to TELRIC cost methodologies, and instead will be market priced on an individual case basis. Should SBC 13STATEvoluntarily offer Leased Facilities under this section, it (I) will advise the CLEC in writing in advance of the applicable charges for Leased Facilities, and (II) will process the request only if CLEC accepts such charges.  5.1.1Leased facilities in SBC MIDWEST REGION 5 STATE and SBC CONNECTICUT are obtained from the applicable Access Tariffs.  5.2Upon CLEC's request, the CLEC will provide a written leased facility request that will specify the A and Z ends (CLLI codes, where known), equipment and multiplexing required and provide quantities requested. Requests for leasing of facilities for the purposes of Interconnection and any future | Position violates state and federal requirements to publicly file interconnection agreements. It also violates 47 U.S.C. §§ 201-204, 251(a), and 252(a); See, e.g. In the Matter of Qwest Corporation Apparent Liability for Forfeiture, File No. EB-03-IH-0263, NAL Acct. No. 200432080022, FRN No. 0001-6056-25, NOTICE OF APPARENT LIABILITY FOR FORFEITURE (Released: March 12, 2004); Qwest Communications International Inc. | Unknown.                 |

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th Level 3's proposal.

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-----------------------|--|--|--------------------------|
|                 |                        |                       | augmentations are subject to facility availability at the time of the request. Applicable rates, terms and conditions will be determined at the time of the request.  5.35.1 Requests by CLEC for leased facilities where facilities, equipment, or riser cable do not exist will be considered and SBC-13STATEmay agree to provide facilities under a Bona Fide Request (BFR).  | Petition for Declaratory Ruling on the Scope of the Duty to File and Obtain Prior Approval of Negotiated Contractual Arrangements under Section 252(a)(1), WC Docket No. 02-89, Memorandum Opinion and Order, 17 FCC Rcd 19337 (2002). |                          |
|                 |                        |                       | SBC PROPOSAL   |  |                          |
| NIM-<br>5       | NIM<br>5.2             | Leasing of Facilities | Requests by CLEC for leased facilities where facilities, equipment, or riser cable do not exist will be considered and <b>SBC-13STATE</b> may agree to provide facilities under its existing tariffs, as a voluntary offering is not required under FTA 96 nor under FCC UNE Remand Order 99-238, November 5, 1999, or lastly as a Bona Fide Request (BFR), where the CLEC concedes that the offering is made pursuant to Sections 251 and 252 of the Act. | Same as above.   | Same as above.           |
|                 |                        |                       | SBC PROPOSAL   |  |                          |

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description                                 | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support   |
|-----------------|---------------------|---|--|--|--|
| GT 3            | NIM<br>7.1          | Availability of Other Rates, Terms and Conditions | Applicability of other rates, terms and conditions will be treated according Section 49 of General Terms and Conditions. Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder: definitions, interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnification; remedies; intellectual property; publicity and use of trademarks or service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; no third party beneficiaries; disclaimer of agency; relationship of the Parties/independent contractor; subcontracting; assignment; responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; signaling; transmission of traffic to third parties; customer inquiries; expenses; conflicts of interest; survival; scope of agreement; amendments and modifications; and entire agreement. | This provision is inconsistent with the Parties' already agreed to provisions in General Terms and Conditions at Section 49.0. | The language proposed by SBC is necessary to clarify the intent of the parties' agreement. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support   |
|-----------------|------------------------|-------------------|---|---|--|
|                 |                        |                   | SBC PROPOSAL  |   |  |
| 2,<br>ITR<br>-1 | ITR<br>1.2             | Introduction      | This Appendix provides descriptions of the trunking requirements between LEVEL 3 and SBC-13STATE. All references to incoming and outgoing trunk groups are from the perspective of LEVEL 3. The paragraphs below describe the required and optional trunk groups the parties may use for interconnection for the exchange of Section 251(b)(5) Traffic, Telecommunications Traffic., ISP Bound Traffic, IntraLATA toll, InterLATA "meet point", mass calling, E911, Operator Services and Directory Assistance traffic.  SBC PROPOSAL | The terms should be reciprocal on both parties. Level 3 has proposed language that will clarify the trunking obligations under the Agreement. | The agreement is intended to limit the types of traffic exchanged between the parties. |
| 3, 4            | ITR<br>1.3             | Introduction      | Local Interconnection Trunk Groups may only be used to transport traffic between the parties End Users  | Language unacceptable to Level 3 as this excludes transit traffic.  | SBC is not required to transit traffic.  |
|                 |                        |                   | SBC PROPOSAL  |   |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | ITR<br>1.4             | Introduction      | SBC Communications Inc. (SBC) means the holding company which directly or indirectly owns the following ILECs: Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company d/b/a SBC Connecticut, Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT-3            | ITR<br>1.5             | Introduction      | SBC-2STATE - As used herein, SBC-2STATE means SBC CALIFORNIA and SBC NEVADA, the applicable SBC-owned ILEC(s) doing business in California and Nevada.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | ITR<br>1.6             | Introduction      | SBC-4STATE — As used herein, SBC-4STATE means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, and SBC Oklahoma the applicable SBC-owned ILEC(s) doing business in Arkansas, Kansas, Missouri and Oklahoma. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |
| GT-3            | ITR<br>1.7             | Introduction      | SBC-7STATE - As used herein, SBC-7STATE means SBC SOUTHWEST REGION 5-STATE, SBC CALIFORNIA and SBC NEVADA, the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma, and Texas.         | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | ITR<br>1.8             | Introduction      | SBC-8STATE As used herein, SBC-8STATE means SBC SOUTHWEST REGION 5-STATE, SBC CALIFORNIA, SBC NEVADA, and SBC CONNECTICUT the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Kansas, Missouri, Nevada, Oklahoma, and Texas.  SBC PROPOSAL  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | ITR<br>1.9             | Introduction      | SBC-10STATE As used herein, SBC-10STATE means SBC SOUTHWEST REGION 5-STATE and SBC MIDWEST REGION 5- STATE an the applicable SBC-owned ILEC(s) doing business in Arkansas, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Texas, and Wisconsin.  SBC PROPOSAL | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | ITR<br>1.10            | Introduction      | SBC-12STATE — As used herein, SBC-12STATE means SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5- STATE and SBC-2STATE the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.                                | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| СТ 2            | ITD                    | Introduction      | SBC PROPOSAL  SDC 12STATE As used barein SDC 12STATE means SDC  | Consistency and case of  | The language is                                      |
| GT-3            | ITR<br>1.11            | Introduction      | SBC-13STATE — As used herein, SBC-13STATE means SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5- STATE, SBC-2STATE and SBC CONNECTICUT the applicable SBC- owned ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | ITR<br>1.12            | Introduction      | SBC ARKANSAS - As used herein, SBC ARKANSAS means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, the applicable SBC-owned ILEC doing business in Arkansas.      | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | ITR<br>1.13            | Introduction      | SBC CALIFORNIA — As used herein, SBC CALIFORNIA means Pacific Bell Telephone Company d/b/a SBC California, the applicable SBC owned ILEC doing business in California. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | ITR<br>1.14            | Introduction      | SBC CONNECTICUT - As used herein, SBC CONNECTICUT means The Southern New England Telephone Company, the applicable above listed ILEC doing business in Connecticut. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | ITR<br>1.15            | Introduction      | SBC KANSAS - As used herein, SBC KANSAS means Southwestern Bell Telephone, L.P. d/b/a SBC Kansas, the applicable SBC-owned ILEC doing business in Kansas.           | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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|-----------------|---------------------|-------------------|---|--|--|
| GT-3            | ITR<br>1.16         | Introduction      | SBC ILLINOIS - As used herein, SBC ILLINOIS means Illinois Bell Telephone Company d/b/a SBC Illinois, the applicable SBC owned ILEC doing business in Illinois.         | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | ITR<br>1.17         | Introduction      | SBC INDIANA - As used herein, SBC INDIANA means Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, the applicable SBC owned ILEC doing business in Indiana. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid                     | The language is introductory and should be included. |
|                 |                     |                   | SBC PROPOSAL  | potential conflict.  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | ITR<br>1.18            | Introduction      | SBC MICHIGAN - As used herein, SBC MICHIGAN means Michigan Bell Telephone Company d/b/a SBC Michigan, the applicable SBC owned doing business in Michigan.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |
| GT-3            | ITR<br>1.19            | Introduction      | SBC MIDWEST REGION 5-STATE — As used herein, SBC MIDWEST REGION 5-STATE means Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Ohio, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC-owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | ITR<br>1.20            | Introduction      | SBC MISSOURI - As used herein, SBC MISSOURI means Southwestern Bell Telephone, L.P. d/b/a SBC Missouri, the applicable SBC owned ILEC doing business in Missouri. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT-3            | ITR<br>1.21            | Introduction      | SBC NEVADA - As used herein, SBC NEVADA means Nevada Bell Telephone Company d/b/a SBC Nevada, the applicable SBC owned ILEC doing business in Nevada.             | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | ITR<br>1.22            | Introduction      | SBC OHIO - As used herein, SBC OHIO means The Ohio Bell Telephone Company d/b/a SBC Ohio, the applicable SBC-owned ILEC doing business in Ohio.                   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT-3            | ITR<br>1.23            | Introduction      | SBC OKLAHOMA - As used herein, SBC OKLAHOMA means Southwestern Bell Telephone, L.P. d/b/a SBC Oklahoma, the applicable SBC-owned ILEC doing business in Oklahoma. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | ITR<br>1.24            | Introduction      | SBC SOUTHWEST REGION 5-STATE — As used herein, SBC SOUTHWEST REGION 5-STATE means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | ITR<br>1.25            | Introduction      | SBC TEXAS — As used herein, SBC TEXAS means Southwestern Bell Telephone, L.P. d/b/a SBC Texas, the applicable SBC owned ILEC doing business in Texas.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | ITR<br>1.26            | Introduction      | SBC WISCONSIN - As used herein, SBC WISCONSIN means Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC owned ILEC doing business in Wisconsin  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |
| GT 3            | ITR<br>2.1             | Definitions       | Access Tandem Switch" is defined as a switching machine within the public switched telecommunications network that is used to connect and switch trunk circuits between and among central office switches for IXC-carried traffic (note-insert regions) and IXC-carried, IntraLATA Toll traffic, Section 251(b)(5) traffic and ISP-bound Traffic in SBC CALIFORNIA, SBC_NEVADA, SBC-MIDWEST and SBC-CONNECTICUT. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT 3            | ITR<br>2.2             | Definitions       | End Office" or "End Office Switch" is a switching machine that directly terminates traffic to and receives traffic from end users purchasing local exchange services. A PBX is not considered an End Office Switch. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. |  |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT 3            | ITR<br>2.3             | Definitions       | IntraLATA Toll" traffic is defined as traffic between one SBC-13STATE local calling area and the local calling area of another SBC-13STATE or LEC within one LATA within the respective state                       | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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|-----------------|------------------------|-------------------|---|--|--|
| GT 3            | ITR<br>2.4             | Definitions       | Local Tandem" refers to any Local Only, Local/IntraLATA,:Local/Access or Access Tandem Switch serving a particular LCA (defined below). | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT 3            | ITR<br>2.5             | Definitions       | Local Interconnection Trunk Groups" are two-way trunks groups used to earry Section 251(b)(5)/IntraLATA Traffic only.                   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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|-----------------|------------------------|-------------------|---|--|--|
| GT 3            | 1TR<br>2.6             | Definitions       | "Local Only Trunk Groups" are two-way trunks groups used to carry Section 251(b)(5) Traffic only.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT 3            | ITR<br>2.7             | Definitions       | "Local/IntraLATA Tandem Switch" is defined as a switching machine within the public switched telecommunications network that is used to connect and switch trunk circuits between and among subtending central office switches for Section 251(b)(5)/IntraLATA Traffic. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | <u>SBC PROPOSAL</u>   |  |  |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|---------------------|-------------------|---|--|--|
| GT 3            | ITR<br>2.8          | Definitions       | "Local Only Tandem Switch" is defined as a switching machine within the public switched telecommunications network that is used to connect and switch trunk circuits between and among other central office switches for Section 251(b)(5) and ISP Bound Traffic.  SBC PROPOSAL | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT 3            | ITR<br>2.11         | Definitions       | "Meet Point Trunk Group" carries traffic between CLEC's end users and Interexcahnge Carriers via SBC-13STATE Access or Local/Access Tandem Switches.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                     |                   | SBC PROPOSAL  |  |  |

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|---------------------|-------------------|--|--|--|
| GT 3            | ITR<br>2.12         | Definitions       | "Offers Service" —At such time as CLEC opens an NPA NXX, ports a number—to serve an end user or pools a block of numbers to serve end users. "Remote End Office Switch" is an SBC-13STATE—switch that directly terminates traffic to and receives traffic from end users of local Exchange Services, but does not have full feature, function and capability of an SBC13-STATE—End Office Switch. Such features, function, and capabilities are provided between an SBC 13-STATE Remote End Office Switch via an umbilical and an SBC13-STATE Host End Office.  SBC PROPOSAL | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT 3            | ITR<br>2.13         | Definitions       | Section 251(b)(5) Traffic is as defined in Attachment 12: Compensation. (need to insert actual definition once defined in attachment)  SBC PROPOSAL  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT 3            | ITR<br>2.14            | Definitions       | Section 251(b)(5)/IntraLATA Traffie" shall mean for purposes of this Attachment, (i) Section 251(b)(5) Traffie, (ii) ISP-Bound Traffie, (iii) IntraLATA toll Traffic originating from an end user obtaining local dialtone from CLEC where CLEC is both the Section 251(b)(5) Traffic and intraLATA toll provider, and/or (iv) IntraLATA Toll Traffic originating from an end user obtaining local dialtone from SBC-13-STATE where SBC-13-STATE is both the Section 251(b)(5) Traffic and intraLATA toll provider.  SBC PROPOSAL | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT 3            | ITR<br>2.15            | Definitions       | "Trunk" or "Trunk Group" means the switch port interface(s) used and the communications path created to connect Level 3's switch with SBC-13STATE's switch for the purpose of exchanging traffic  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |

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| NUMBER | Appendix or<br>Section | Issue Description                      | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support   |
|--------|------------------------|--|---|---|--|
| ITR    |                        | One Way and<br>Two Way Trunk<br>Groups | 3.1.2 CLEC shall issue ASR's for one-way Busy Line Verification/Emergency Interrupt trunk group.  3.1.3 CLEC shall issue ASR's for one-way High Volume Call In trunk group as described in section 5.7.  3.1.4 CLEC shall issue ASR's for one-way Connecticut Transit Traffic Service trunk group in SBC CONNECTICUT. | 4/15/04: Level 3's position is that trunks are defined in section 1.1.130 of the GTCs of our existing agreement as: "a communication line between 2 systems".  There is no definition of a local interconnection facility; thus, this Appendix ITR is unclear as to the parties' obligations to bill and pay for facilities on their side of the POI. | High volume call traffic is not subject to the ordering procedures for local exchange traffic. |
|        |                        |  | SBC PROPOSAL  |   |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support   |
|-----------------|------------------------|-------------------|--|---|--|
| 3,<br>ITR-<br>3 | ITR<br>3.2             |                   | Trunk groups for ancillary services (e.g. OS/DA, BLVI, mass calling, and 911) and in SBC CONNECTICUT, Connecticut Transit Traffic trunk group and Meet Point Trunk Groups can be established between a LEVEL 3 switch and an SBC-13STATE Tandem as further provided in this Appendix ITR and according to the rates in Appendix pricing. LEVEL 3 is financially responsible for the transport facility costs for these trunk groups types as described in Appendix NIM section | Level 3 disagrees with SBC's interpretation of Section 251.   | SBC is not required under Section 251 to exchange certain traffic. |
| 2               | ITR<br>3.3             | Transit           | LEVEL 3 may establish two-way Local Interconnection Trunk Group(s) trunk groups for Telecommunications Traffic, Circuit Switched local/ IntraLATA and InterLATA traffic and two-way Meet Point Trunk Groups may shall be established between a LEVEL 3 switch or Level 3 routing point representing a switch location and an SBC-12STATE Tandem or End Office switch for the exchange of traffic between each Party's End Users only.  SBC PROPOSAL                            | Level 3's language clarifies that Level 3 can continue to rely on its existing network to exchange Level 3's customer's traffic to SBC. | Unknown.   |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support   |
|-----------------|------------------------|-------------------|--|---|--|
| 2, 3            | ITR<br>3.4             |                   | The Parties agree that two-way trunking shall be established when possible and appropriate for a given trunk group. However, in <b>SBC- CONNECTICUT</b> , one-way trunking is required to accommodate billing and technical limitations.   | SBC is obligated to provide two-way trunking under Section 252(c)(2). The Parties currently use multi-jurisdictional trunking and, as such, it is technically feasible. | Unknown.   |
|                 |                        |                   | SBC PROPOSAL   |   |  |
| 2               | ITR<br>3.6             |                   | The Parties recognize that embedded one-way trunks may exist for Telecommunications Traffic Section 251(b)(5)_/IntraLATA Traffic via endpoint meet Interconnection architecture. The Parties may agree to negotiate a transition plan to migrate the embedded one-way trunks to two-way trunks via any Interconnection method as described in Appendix NIM_or as permitted by Applicable Law. The Parties will coordinate any such migration, trunk group prioritization, and implementation schedule. SBC-13STATE agrees to develop a cutover plan and project manage the cutovers with LEVEL 3 participation and agreement | Clarifies that the Parties can use those methods approved by a court or agency in transitioning from one-way to two-way trunking.                                       | SBC is not required under Section 251 to exchange certain traffic. |
|                 |                        |                   | SBC PROPOSAL   |   |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support                 |
|-----------------|------------------------|-------------------|--|---|--|
| 1               | ITR<br>4.1             |                   | The Parties shall establish POIs according to the requirements of NIM Section 2.2. SBC-13STATE deploys in its network Local Only Tandem      | SBC's proposed language is not consistent     | SBC is not required under Section 251 to |
|                 |                        |                   | Switch, Local/IntraLATA Tandem Switch (SBC SOUTHWEST REGION 5-   | with the terms of the                         | exchange certain traffic.                |
|                 |                        |                   | STATE only), Access Tandem Switch and Local/Access Tandem Switch. In addition SBC-13STATE deploys Tandems that switch ancillary traffic such | NIM Appendix.                                 |  |
|                 |                        |                   | as 911 (911 Tandem), Operator Services/ Directory Assistance (OS/DA Tandem), and mass calling (choke Tandem). Traffic on Tandem trunks does  |   |  |
|                 |                        |                   | not terminate at the Tandem but is switched to other trunks that terminate the   |   |  |
|                 |                        |                   | traffic in End Offices and ultimately to End Users.  |   |  |
|                 |                        |                   | SBC PROPOSAL   |   |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|-------------------|---|---|---|
| 1, 2            | ITR<br>4.2             |                   | When Tandem trunks are deployed, LEVEL 3 shall connect only those tandems that are within the calling scope of the NPA_NXX codes assigned to the LEVEL 3 that would subtend to a particular tandem and so long as as the financial responsibility for establishing such trunks is in accord with parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Section 2.0 NIM_to all tandems in the LATA in SBC CONNECTICUT, SBC CALIFORNIA, SBC NEVADA and SBC MIDWEST REGION 5-STATE and to all Tandems in the local exchange area in SBC SOUTHWEST REGION 5-STATE. If no Local Only Tandem Switch, Local/ IntraLATA Tandem Switch or Local/ Access Tandem Switch exists in the local exchange area in SBC SOUTHWEST REGION 5-STATE, LEVEL 3 shall trunk to all End Offices in the local exchange area where LEVEL 3 Offers ServiceLEVEL 3 shall route appropriate traffic (i.e. only traffic to SBC End Offices that subtend that Tandem or transit traffic) to the respective SBC-13STATE Tandems on the trunk groups defined below. SBC-13STATE shall route appropriate traffic to LEVEL 3 switches on the trunk groups defined below. | It is the most efficient for SBC to transmit transit traffic among ccarriers, as it already has interconnection with every carrier in its territory, rather than compelling Level 3 to purchase additional interconnection facilities with every other carrier in the territory and vice versa. | SBC is not required under Section 251 to exchange certain traffic.              |
| 3,<br>ITR-<br>3 | ITR<br>4.3             | Transit Traffic   | Transit Traffic" is local Telecommunications Traffic or Circuit Switched intraLATA toll Telecommunications Traffic originated by or terminated to LEVEL 3 from another Local Exchange Carrier, CLEC [or wireless carrier that transit SBC-13STATE's network. When transit traffic through the SBC-13STATE Tandem from LEVEL 3 to another Local Exchange Carrier,  | Clarifies definition of "transit traffic".  | SBC opposes. SBC is not required under Section 251 to exchange certain traffic. |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support   |
|-----------------|------------------------|-------------------|--|--|--|
|                 |                        |                   | CLEC or wireless carrier requires a DS-1's or greater worth of traffic over a consecutive 3 month period, LEVEL 3 will undertake commercially reasonable efforts to establish direct interconnection with that third party.  LEVEL 3 may route Transit Traffic via SBC-13STATE's local Tandem or End office switches.  SBC PROPOSAL  |  |  |
| 3               | ITR<br>4.3.1           |                   | When transit traffic between the LEVEL 3 network and SBC-13STATE, such as Telecommunications Traffic to another Local Exchange Carrier, CLEC or wireless carrier exceeds a DS-1's worth of traffic for three consecutive months, SBC-13STATE shall establish a direct trunk group between itself and the other Local Exchange Carrier, CLEC or wireless carrier. By establishing this trunk group, SBC-13STATE agrees to use reasonable efforts to minimize the amount of transit traffic it directly routes through the LEVEL 3 network to the third party terminating carrier. | It is the most efficient for SBC to transmit transit traffic among carriers, as it already has interconnection with every carrier in its territory, rather than compelling Level 3 to purchase additional interconnection facilities with every other carrier in the territory and vice versa. | SBC is not required under Section 251 to exchange certain traffic. |
| 3               | ITR<br>4.3.2           |                   | SBC-PROPOSAL  SBC-CONNECTICUT will make its Connecticut Transit Traffic Service available to LEVEL 3 for the purpose of completing Transit Traffic at rates,   | It is the most efficient for SBC to transmit transit   | SBC is not required under Section 251 to                           |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support   |
|-----------------|------------------------|-------------------|--|---|--|
|                 |                        |                   | terms, and conditions set forth in Appendix Pricing and the applicable CT Access Service Tariff or as approved by the Connecticut DPUC. SBC-CONNECTICUT will compensate the terminating carrier for applicable local compensation or intraLATA access compensation.  | traffic among carriers, as it already has interconnection with every carrier in its territory, rather than compelling Level 3 to purchase additional interconnection facilities with every other carrier in the territory and vice versa.                     | exchange certain traffic.  |
|                 |                        |                   | SBC PROPOSAL   |   |  |
| 3               | ITR<br>4.3.3           |                   | While the Parties agree that it is the responsibility of the originating carrier to enter into arrangements with each third party carrier (ILECs, IXCs, Wireless Carriers or other CLECs) to deliver transit traffic, each Party acknowledges that such arrangements may not currently be in place and an interim arrangement will facilitate traffic completion on an temporary basis. Accordingly, until the earlier of (i) the date on which either Party has entered into an arrangement with third-party carrier to exchange transit traffic to the other party and (ii) the date transit traffic volumes exchanged by either party exceed the volumes specified in Section 4.2.2, each party will provide the other Party with transit service. Each party agrees to use reasonable efforts to enter into agreements with third-party carriers to whom it sends traffic as | It is the most efficient for SBC to transmit transit traffic among carriers, as it already has interconnection with every carrier in its territory, rather than compelling Level 3 to purchase additional interconnection facilities with every other carrier | SBC is not required under Section 251 to exchange certain traffic. |

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Tier 1 = 1-8Tier 2 = 9-20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description             | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support  |
|-----------------|------------------------|-------------------------------|--|--|---|
|                 |                        |                               | soon as possible after the Effective Date.   | in the territory and vice versa.   |   |
|                 |                        |                               | SBC PROPOSAL   |  |   |
| 3               | ITR<br>4.3.4           |                               | Once SBC13-State notifies LEVEL 3 that that more than a DS1's worth of traffic has been exchanged with a 3rd party carrier for more than three months, LEVEL 3 use commercially reasonable efforts to establish interconnection arrangements with the 3rd party carriers.  | It is the most efficient for SBC to transmit transit traffic among carriers, as it already has interconnection with every carrier in its territory, rather than compelling Level 3 to purchase additional interconnection facilities with every other carrier in the territory and vice versa. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                 |                        |                               | SBC PROPOSAL   |  |   |
| 1, 2            | ITR<br>4.4             | Direct End office<br>Trunking | Direct End Office trunks terminate traffic from a LEVEL 3 switch to an <a href="SBC-13STATE">SBC-13STATE</a> End Office and are not switched at a Tandem location. The Parties shall establish a two-way Direct End Office trunk group (except in SBC Connecticut where it shall be one-way) when actual or projected End Office traffic requires twenty-four (24) or more Local Interconnection Trunk | Each party should be responsible for costs associated with it sown side of the SPOI.   | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce              |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support   |
|-----------------|------------------------|-------------------|--|---|--|
|                 |                        |                   | s in a Trunk Group or when no Local Only, Local/IntraLATA or Local/Access Tandem Switch Local Only, Local/IntraLATA or Local/Access Switch is present in the local exchange area so long as the financial responsibility for establishing such trunks is in accord with parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Section NIM. Overflow from either end of the Direct End Office trunk group will be alternate routed to the appropriate Tandem.  |   | SBC's costs.   |
|                 |                        |                   | SBC PROPOSAL   |   |  |
| 2               | ITR<br>4.4.1           |                   | Direct End Office trunks terminate <u>Telecommunications Traffic Section</u> 251(b)(5)/IntraLATA Traffic traffic from a LEVEL 3 switch to an <u>SBC-13STATE</u> End Office.  | Level 3 disagrees with SBC's definition of the traffic to be carried on Direct End Office trunks. | SBC is not required under Section 251 to exchange certain traffic. |
|                 |                        |                   | SBC PROPOSAL   |   |  |
| ITR-            | ITR<br>4.5             |                   | All traffic received by <u>SBC-13STATE</u> on the direct End Office trunk group from LEVEL 3 must generally terminate in the End Office, i.e. no Tandem switching will be performed in the End Office <u>unless SBC does so for itself or for any other party.</u> Where End Office functionality is provided in a remote End Office of a host/remote switch configuration, the Interconnection for that remote End Office is only available at the host <u>switch unless SBC has provisioned such capability in the remote switchswitch</u> . The number of originating telephone number digits to be | Level 3's proposals are consistent with the nondiscriminatory requirements.                       | Unknown.   |

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| ISSUE<br>NUMBER    | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|--------------------|------------------------|-------------------|---|---|---|
|                    |                        |                   | received by the <u>SBC-13STATE</u> End Office shall be mutually agreed upon by the Parties. This trunk group shall be two-way.  |   |   |
|                    |                        |                   | SBC PROPOSAL  |   | 1   |
| 2                  | ITR<br>5.2             | Trunk Groups      | Local Interconnection Trunk Group(s) in Each Local Exchange Area: SBC SOUTHWEST REGION 5-STATE. LATA. Inter-Tandem switching is not provided.   | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA and to establish two-way trunking. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                    |                        |                   | SBC PROPOSAL  |   |   |
| 1, 2,<br>ITR-<br>4 | ITR<br>5.2.1           | Trunk Groups      | Two-way Local OnlyInterconnection Trunk Group(s) shall be established between LEVEL 3 switch-and the SBC at the single POI per LATA and Level 3 may establish Two-way Local Interconnection Trunk Group(s) at any other point within SBC13-State's network according to Level 3's sole discretion subject to technical feasibility. each SBC SOUTHWEST REGION 5-STATE Local Only /IntraLATA Only Tandem Switchand Local/Access Tandem Switch_ in the local exchange area. Inter-Tandem switching is not provided. | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA and to establish two-way trunking. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                    |                        |                   | <u>SBC PROPOSAL</u>   |   |   |

Tier 1 = 1-8

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|-------------------|--|---|---|
| 2,<br>ITR-<br>4 | ITR<br>5.2.2           | Trunk Groups      | A two-way Local Interconnection Trunk Group(s) shall be established between LEVEL 3 switch and each SBC SOUTHWEST REGION 5.  STATE Local/IntraLATA Tandem Switch or Local/Access Tandem Switch in the local exchange area. Inter-Tandem switching is not provided.  SBC PROPOSAL   | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA and to establish two-way trunking.   | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
| 2, ITR_ 4       | ITR<br>5.2.3           | Trunk Groups      | SBC SOUTHWEST REGION 5-STATE may initiate one-way or two-way interconnection IntraLATA-trunk groups to LEVEL 3 where required to provide trunk switch port relief in SBC SOUTHWEST REGION 5-STATE Tandems when a community of interest is outside the local exchange area in which LEVEL 3 is Interconnected subject to mutual agreement and so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM. | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                 |                        |                   | SBC PROPOSAL   |   |   |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|-------------------|--|---|---|
| 2,<br>ITR-<br>4 | ITR<br>5.2.4           | Trunk Groups      | Where traffic from LEVEL 3 switch-to a SBC SOUTHWEST REGION 5-STATE End Office exceeds 24 trunks in an average busy hour, A Local Interconnection Trunk Group shall also be established to the is sufficient, 24 or more trunks, a Local Interconnection Trunk Group shall also be established to the SBC SOUTHWEST REGION 5-STATE End Office as described in Sections 4.4 and 4.5-so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM                | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                 |                        |                   | SBC PROPOSAL   |   |   |
| 2,<br>ITR-<br>4 | ITR<br>5.2.5           | Trunk Groups      | A Local Interconnection Trunk Group local or local/IntraLATA trunk group shall be established from the LEVEL 3 switch LEVEL 3/SBC POI in the LATA or from the nearest SBC end office where LEVEL 3 has interconnected to each SBC SOUTHWEST REGION 5-STATE End Office in a local exchange area that has no Local Only Tandem Switch, Local/IntraLATA Tandem Switch or Local/Access Tandem Switch so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM. | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | Same as above.  |
|                 |                        |                   | SBC PROPOSAL   |   |   |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
| 2,<br>ITR-<br>4 | ITR<br>5.2.6           | Trunk Groups      | When SBC SOUTHWEST REGION 5-STATE has a separate Local Only Tandem Switch in the local exchange area and a Local/IntraLATA, Local/Access, or Access Tandem Switch that serves the same local exchange area, the Parties may mutually agree to establish a two-way meet point trunk group to carry Telecommunications IntraLATA Toll Traffic shall be established to the SBC SOUTHWEST REGION 5-STATE Local/IntraLATA, Local/Access, or Access Tandem Switch so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM. In addition, a two-way-Local Only Trunk Group shall be established from the LEVEL 3 switch to the SBC SOUTHWEST REGION 5-STATE Local Only Tandem switch. | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | Same as above.           |
|                 |                        |                   | SBC PROPOSAL   |   |                          |
| 2,<br>ITR-<br>4 | ITR<br>5.2.7           | Trunk Groups      | When SBC SOUTHWEST REGION 5-STATE has a Local/Access Tandem Switch in a local exchange area, Telecommunications Traffic Section 251(b)(5)/IntraLATA Traffic shall be combined on a two-way Local Interconnection Trunk Group Trunk Group so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM.   | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | Same as above.           |
|                 |                        |                   | SBC PROPOSAL   |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
| 2,<br>ITR-<br>4 | ITR<br>5.2.8           | Trunk Groups      | When <u>SBC SOUTHWEST REGION 5-STATE</u> has more than one combined <u>local/access tandem</u> <u>Local/Access Tandem Switch</u> in a local exchange area, <u>Telecommunications</u> <u>Section 251(b)(5)/IntraLATA</u> Traffic shall be combined on a-two-way <u>trunk group(s)Local Interconnection Trunk Group to each that the Parties may mutually agree to establish <u>SBC</u> <u>SOUTHWEST REGION 5-STATE Local/AccessTandem Switch so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM.</u></u>         | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | Same as above.           |
|                 |                        |                   | SBC PROPOSAL  |   |                          |
| 2,<br>ITR-<br>4 | ITR<br>5.2.9           |                   | When SBC SOUTHWEST REGION 5-STATE has more than one Local/Access Tandem Switch combined local/Access Tandem in a local exchange area, Section 251(b)(5)/IntraLATA Traffic local and IntraLATA toll traffic Telecommunications Traffic shall be combined on a two-way Local Interconnection Trunk Group local/IntraLATA trunk group to each that the Parties may mutually agree to establish to -SBC SOUTHWEST REGION 5-STATE Local/Access Tandem Switch(es) so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM. | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | Same as above.           |
|                 |                        |                   | SBC PROPOSAL  |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support                                       |
|-----------------|------------------------|-------------------|--|---|--|
| 2               | ITR<br>5.3             |                   | Local Interconnection Trunk Group(s) in each LATA: SBC MIDWEST REGION 5-STATE, SBC CONNECTICUT, SBC CALIFORNIA and SBC NEVADA  | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA and to establish two-way trunking. | Same as above.   |
|                 |                        |                   | SBC PROPOSAL   |   |  |
| 2,<br>ITR-<br>4 | ITR<br>5.3.1.1         |                   | Where <u>SBC CALIFORNIA</u> , <u>SBC NEVADA</u> or <u>SBC MIDWEST</u> <u>REGION 5-STATE</u> has a single Local/IntraLATA, Local/Access Tandem or Access Tandem Switch in a LATA, <u>Telecommunications</u> <u>Section251(b)(5)/IntraLATA Tt</u> raffic shall be combined on a single Local Interconnection Trunk Group for calls destined to or from all <u>SBC</u> End Offices <u>that subtend the Tandem within that LATA</u> . This trunk group shall be two-way and will utilize Signaling System 7 (SS7) signaling. | Level 3 disagrees with<br>the definition of the types<br>of traffic under the<br>Appendix.                          | SBC is not required under Section 251 to exchange all traffic. |
|                 |                        |                   | SBC PROPOSAL   |   |  |

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| ISSUE<br>NUMBER    | Appendix or<br>Section | Issue Description           | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|--------------------|------------------------|-----------------------------|---|---|---|
|                    | ITR<br>5.3.2           |                             | Where SBC CALIFORNIA, SBC NEVADA, SBC CONNECTICUT OF SBC MIDWEST REGION 5-STATE has more than one Access Tandem Switch and/or Local/IntraLATA Tandem Switch in a LATA, Section 251(b)(5)/IntraLATATelecommunications Traffic shall be combined on a single Local Interconnection Trunk Group at those every SBC CALIFORNIA, SBC NEVADA, SBC CONNECTICUT or SBC MIDWEST REGION 5-STATE Tandem(s) where the Parties may mutually agree to interconnect for calls destined to or from all SBC End Offices that subtend each Tandem in the LATA, so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM. These trunk groups shall be two-way and will utilize Signaling System 7 (SS7) signaling. | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                    |                        |                             | SBC PROPOSAL  |   |   |
| 1, 2,<br>ITR-<br>4 | ITR<br>5.3.3.1         | Direct End Office<br>Trunks | The Parties shall establish direct End Office primary high usage Local Interconnection Trunk Groups for the exchange of Section 251(b)(5)/IntraLATA—Telecommunications traffic where actual or projected traffic demand is or will be exceeds one a DS1's worth of traffic for three (3) consecutive months as described in Sections 4.4 and 4.5 so long as the financial responsibility for establishing such trunks is in accord with Parties' responsibilities to establish and pay for transporting their originating traffic to the POI as specified in Appendix NIM.  | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |

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|-----------------|------------------------|-------------------|--|---|---|
| 2,<br>ITR-<br>4 | ITR<br>5.4.1           |                   | Meet Point Trunk Groups will-may be established for the transmission and routing of traffic between CLEC's End UsersLEVEL 3 and Circuit Switched interexchange carriers via a SBC-13STATE Access or Local/Access Tandem Switches. This traffic is separate from Section 251 (b)(5)/IntraLATA Traffic. Circuit Switched Telephone Toll and/or Exchange Access Traffic sent to or received from interstate interexchange carriers shall be transported between LEVEL 3 and the SBC-13STATE Access Tandem Switch or Local/Access Tandem Switch over a Meet Point Trunk Group. These trunks may be separate from Section251(b)(5)/IntraLATA Traffic. The Meet Point Trunk Group will be established for the transmission and routing of exchange access traffic between CLEC's End | SBC's attempt to force<br>Level 3 to lay out a<br>duplicative network is<br>only intended to drive up<br>Level 3's cost of doing<br>business. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                 |                        |                   | Users and inter exchange carriers via a SBC-13STATE Access Tandem.  SBC PROPOSAL   |   |   |
| 2,<br>ITR-<br>4 | ITR<br>5.4.2           |                   | Meet Point Trunk Groups shall be set up as two-way and will utilize SS7 signaling, except multifrequency ("MF") signaling will be used on a separate Meet Point Trunk Group to complete originating calls to switched access customers that use MF FGD signaling protocol. Each party shall bear their costs on the meet point trunk group according to the facilities they provide (or pay for) over that group. CLEC is financially responsible for the transport facility cost as described in Appendix NIM section 2.6.  | SBC's attempt to force<br>Level 3 to lay out a<br>duplicative network is<br>only intended to drive up<br>Level 3's cost of doing<br>business. |   |

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| ISSUE<br>NUMBER    | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|--------------------|------------------------|-------------------|---|---|---|
|                    |                        |                   | SBC PROPOSAL  |   |   |
| 2, 4,<br>ITR-<br>4 | ITR<br>5.4.3           |                   | When SBC-13STATE has more than one Local/Access Tandem or Access Tandem_Switch_in a local exchange area or LATA, CLEC shall establish a Meet Point Trunk Group to each SBC-13STATE Local/Access Tandem or Access Tandem Switch_where the CLEC has homed its NXX code(s). If the Local/Access Tandem or Access Tandem Switches are in two different states, CLEC shall establish a Meet Point Trunk Group with Local/Access Tandem or Access Tandem Switch in each state.                        | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                    |                        |                   | SBC PROPOSAL  |   |   |
| 2,<br>ITR-<br>4    | ITR<br>5.4.4           |                   | In-SBC-13STATE where there is more than one Local/Access Tandem or Access Tandem Switch in a LATA, and LEVEL 3 had _ previously established a Meet Point Trunk Group to a SBC-13STATE Local/Access Tandem or Access Tandem Switch or a constrained Local/Access Tandem or Access Tandem Switch condition exist, the Parties agree to develop a mutually acceptable plan to establish a Meet Point Trunk Group to each SBC-13STATE Access Tandem Switch where LEVEL 3 has homed its NXX code(s). | The Federal Act and state law allow for Level 3 to establish a SPOI in each LATA. Each party should be responsible for the costs of trunking to its own side of the SPOI. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                    |                        |                   | SBC PROPOSAL  |   |   |

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Tier 1 = 1-8Tier 2 = 9-20

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|   | ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals          | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|---|-----------------|------------------------|-------------------|--|---|--------------------------|
|   | ITR-            | ITR                    |                   | LEVEL 3 and SBC-13STATE will cooperate to promptly test all 9-1-1              | Parties should use best                       | Unkown.                  |
|   | 4               | 5.6.3                  |                   | trunks and facilities between LEVEL 3 network and the SBC-13STATE 9-           | efforts to complete                           |                          |
|   |                 |                        |                   | 1-1 Tandem to assure proper functioning of 9-1-1 service. <b>LEVEL 3</b> will  | testing for 911 trunks.                       |                          |
|   |                 |                        |                   | not turn-up live traffic until successful testing is completed by both Parties |   |                          |
|   |                 |                        |                   | and therefore SBC-13STATE and LEVEL 3 both agree to use best efforts to        |   |                          |
|   |                 |                        |                   | complete testing as soon as is reasonably possible once LEVEL 3 has            |   |                          |
| Ļ |                 |                        |                   | requested interconnection at the SBC 13 State 9-1-1 Tandem.                    |   |                          |
|   |                 |                        |                   | SBC PROPOSAL   |   |                          |
|   |                 |                        |                   |  |   |                          |

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| NUMBER | ISSIE | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   |                               | Level<br>nmunic<br>ition/Su | ations                            | SBC Position/<br>Support |
|--------|-------|------------------------|-------------------|---|-------------------------------|-----------------------------|-----------------------------------|--------------------------|
|        | 2     | ITR<br>5.7.1           |                   | Each party is responsible for traffic engineering on its network and to its customers. To the extent that parties agree that A a dedicated trunk group shall be required to the designated Public Response HVCI/Mass Calling    | Parties<br>efforts<br>testing | should<br>to<br>for         | use best<br>complete<br>dedicated | Unkown.                  |
|        |       |                        |                   | Network Access Tandem in each serving area, such trunk group will be implemented by the parties. This trunk group shall—may be one-way  | trunks.                       | 101                         | dedicated                         |                          |
|        |       |                        |                   | outgoing only and shall utilize or two way and may utilize SS7 or MF signaling. As the HVCI/Mass Calling trunk group is designed to block all   |                               |                             |                                   |                          |
|        |       |                        |                   | excessive attempts toward HVCI/Mass Calling NXXs, it is necessarily exempt from the one percent blocking standard described elsewhere for other final Level Interconnection trusts groups. The Ports originating the            |                               |                             |                                   |                          |
|        |       |                        |                   | other final Local Interconnection trunk groups. The Party originating the most traffic will have administrative control for the purpose of issuing ASRs on this trunk group. Because SBC will not permit LEVEL 3 to The Parties |                               |                             |                                   |                          |
|        |       |                        |                   | will not exchange live traffic until successful testing is completed by both Parties, SBC-13STATE and LEVEL 3 both agree to use best efforts to   |                               |                             |                                   |                          |
|        |       |                        |                   | complete testing as soon as is reasonably possible once <b>LEVEL 3</b> has submitted an ASR for such one way trunk groups.  |                               |                             |                                   |                          |
|        |       |                        |                   | SBC PROPOSAL  |                               |                             |                                   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support                | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|--|--------------------------|
| 2               | ITR<br>5.7.2           |                   | This group shall be sized using best engineering practices based on the type of mass calling user, the anticipated events and the size of the community where calls may originate as follows::  Number of Access Lines Served 0 10,000 2 10,001 20,000 3 20,001 30,000 4 30,001 40,000 5 40,001 50,000 60,001 75,000 8 75,000 $+$ 9 maximum   | Level 3 disagrees with SBC's proposed trunking requirements. | Unkown.                  |
| 2               | ITR 5.7.3              |                   | If either Party should acquire a HVCI/Mass Calling customer that will impact the other, .i.e.such as a radio station, LEVEL 3-the Party acquiring the HVCI/Mass Calling customer shall notify SBC-12STATE the other Party at least 60 days in advance of the need to establish a one-way outgoing-SS7 or MF trunk group from the SBC-12STATE HVCI/Mass Calling Serving End Office serving the HVCI/Mass Calling customer to the other Party's customers' serving office. The Party acquiring the HVCI/Mass Calling customer LEVEL 3-will have administrative control for the purpose of issuing ASRs on this one-way_trunk group. | Level 3 disagrees with SBC's proposed trunking requirements. | Unknown.                 |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support                | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|--|--------------------------|
|                 |                        |                   | SBC PROPOSAL   |  |                          |
| 2               | ITR<br>5.7.4           |                   | If the Party acquiring the HVCI/Mass Calling customer finds it necessary to issue a new choke telephone number to a new or existing HVCI/Mass Calling customer, the Party acquiring the HVCI/Mass Calling customer may request a meeting to coordinate with the Other Party SBC-12STATE the assignment of HVCI/Mass Calling telephone number from the existing choke NXX. In the event that the Party acquiring the HVCI/Mass Calling customer establishes a new choke NXX, the Party acquiring the HVCI/Mass Calling customer must notify the other party SBC-12STATE a minimum of ninety (90) days prior to deployment of the new HVCI/Mass Calling NXX. SBC-12STATE will perform the necessary translations in its End Offices and Tandem(s) and the Party acquiring the HVCI/Mass Calling customer will issue will issue will issue asks to establish a one-way outgoing SS7 or MF trunk group from the SBC-12STATE Public Response HVCI/Mass Calling Network Access Tandem to the Party acquiring the HVCI/Mass Calling customer's choke serving office | Level 3 disagrees with SBC's proposed trunking requirements. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |

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| ISSUE<br>NUMBER         | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support                         | SBC Position/<br>Support |
|-------------------------|------------------------|-------------------|---|---|--------------------------|
| 2                       | ITR<br>5.7.5           |                   | In SBC CONNECTICUT, where HVCI/Mass Calling NXXs have not been established, the Parties agree to utilize "call gapping" as the method to control high volumes of calls, where technically feasible in the originating switch, to specific high volume customers or in situations such as those described in Section 36 Network Maintenance and Management of the General Terms and Conditions   |   | Unknown.                 |
|                         |                        |                   | SBC PROPOSAL  |   |                          |
| ITR-<br>2,<br>ITR-<br>4 | ITR<br>8.8.1           |                   | The Parties will process trunk service requests submitted via a properly completed ASR within ten (10) business days of receipt of such ASR unless defined as a major project, as stated in 8.6. Incoming orders will be screened by SBC SOUTHWEST REGION 5-STATE trunk engineering personnel for reasonableness based upon current utilization and/or consistency with forecasts. If the nature and necessity of an order requires determination, the ASR will be placed in held status, and a Joint Planning discussion conducted. Parties agree to expedite this discussion in order to minimally delay order processing. Extension of this review and discussion process beyond two days from ASR receipt will require the ordering Party to Supplement the order with proportionally adjusted Customer Desired Due Dates. Facilities must also be in place before trunk orders can be completed. | Parties should expedite efforts to facilitate trunk service requests. | Unknown.                 |
|                         |                        |                   | SBC PROPOSAL  |   |                          |

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Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description        | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support                                   |
|-----------------|------------------------|--------------------------|--|---|--|
| 2               | ITR<br>12.1            | Circuit Switched Traffic | The Parties agree to the definition, terms, conditions, and use Circuit Switched Traffic according to Sections 3.4 and 16 of Appendix IC to this Agreement. For purposes of this Agreement only, Circuit Switched Traffic is defined as any traffic that terminates over a Party's circuit switch, including traffic from a service that originates over a circuit switch and uses Internet Protocol (IP) transport technology (regardless of whether only one provider uses IP transport or multiple providers are involved in providing IP transport). Notwithstanding anything to the contrary in this Agreement, excluding traffic from exchanges sharing a common mandatory local calling area as defined in SBC California's local exchange tariffs on file with the applicable state commission, all other Circuit-Switched Traffic, as defined above, that originates from an end user physically located in one local exchange and delivered for termination to an end user physically located in a different local exchange ("Interexchange Circuit-Switched Traffic") shall be delivered to the terminating Party over feature group access trunks per the terminating Party's access tariff(s) and shall be subject to applicable intrastate and interstate switched access charges; provided, however, the following categories of Interexchange Circuit-Switched Traffic are not subject to the above stated requirement relating to routing over feature group access trunks: | Intended for consistency between the pieces of the agreement, and to avoid confusion. | The language is necessary to show the parties' intentions. |
|                 |                        |                          | SBC PROPOSAL   |   |  |

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| ISSUE<br>NUMBER | Appendix or Section      | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support                             |
|-----------------|--------------------------|-------------------|---|---|--|
| 2               | ITR<br>12.1.1-<br>12.1.4 |                   | 12.1. HntraLATA toll Traffic or Optional EAS Traffic from a CLEC end user that obtains local dial tone from CLEC where CLEC is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider,  12.1.2 IntraLATA toll Traffic or Optional EAS Traffic from an SBC California end user that obtains local dial tone from SBC California where SBC California is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider;  12.1.3 Interexchange Circuit Switched Traffic delivered to SBC California from an Interexchange Carrier (IXC) where the terminating number is ported to another CLEC and the IXC fails to perform the Local Number Portability (LNP) query; and/or  12.1.4Interexchange Circuit Switched Traffic delivered to either Party from a third party competitive local exchange carrier over Local Interconnection Trunk Groups. | Level 3 disagrees with SBC's proposal as it is not consistent with the concept of a local call. | SBC needs to clarify its definition of a local call. |
|                 |                          |                   | SBC PROPOSAL  |   |  |

Tier 1 = 1-8

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support                         | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|---|--|
| 2, 4            | ITR<br>12.2            |                   | Notwithstanding anything to the contrary in this Agreement, each Party reserves it rights, remedies, and arguments relating to the application of switched access charges for traffic exchanged by the Parties prior to the Effective Date of this Agreement and described in the FCC's Order issued in the Petition for Declaratory Ruling that AT&T's Phone to Phone IP Telephony Services Exempt from Access Charges, WC Docket No. 01-361(Released April 21, 2004).  SBC PROPOSAL   | Level 3 sees no need for this section.                                | Unknown.   |
| 2, 3            | ITR<br>12.3            |                   | In the limited circumstances in which a third party competitive local exchange carrier delivers Interexchange Circuit-Switched Traffic as described in Section 12.1.4 above to either Party over Local Interconnection Trunk Groups, such Party may deliver such Interexchange Circuit-Switched Traffic to the terminating Party over Local Interconnection Trunk Groups. If it is determined that such traffic has been delivered over Local Interconnection Trunk Groups, the terminating Party may object to the delivery of such traffic by providing written notice to the delivering Party pursuant to the notice provisions set forth in the General Terms and Conditions and request removal of such traffic. The Parties will work cooperatively to identify the traffic with the goal of removing such traffic from the Local Interconnection Trunk Groups. If the delivering Party has not removed or is unable to remove such Interexchange Circuit-Switched Traffic as described in Section 1.1(iv) above from the Local Interconnection | Not consistent with the concept of local call or of transit services. | SBC needs to include its definition of a local call. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|-------------------|---|---|---|
|                 |                        |                   | Trunk Groups within sixty (60) days of receipt of notice from the other party, the Parties agree to jointly file a complaint or any other appropriate action with the applicable Commission to seek any necessary permission to remove the traffic from such interconnection trunks up to and including the right to block such traffic and to obtain compensation, if appropriate, from the third party competitive local exchange carrier delivering such traffic to the extent it is not blocked.  SBC PROPOSAL  |   |   |
| 2               | ITR<br>12.4            |                   | The Parties agree that all traffic is presumed to be Circuit-Switched Traffic unless the Party delivering the traffic affirmatively demonstrates to the terminating Party by providing auditable records including, but not limited to, call detail records, that provide sufficient information that the traffic qualifies as "IP Traffic" (as defined below). Once the delivering Party affirmatively demonstrates traffic is "IP Traffic," the delivering Party shall deliver such traffic over separate and distinct Feature Group D access trunks and facilities per the other Party's tariffs until such time as an Internet Protocol access product may be purchased from the other Party's tariffs. Either Party may audit at any time the delivery of such traffic by the other Party over Feature Group D access trunks or the Internet Protocol access product (when available), whichever is applicable, to determine if it qualifies as IP Traffic (as defined below) in accordance with the audit provisions in Section 32 of the General Terms and Conditions of this Agreement. | VoIP traffic has never<br>been assessed access<br>charges. SBC's proposed<br>language is geared<br>towards lumping VoIP<br>services into a switched-<br>based service, and, as<br>such, imposing access<br>charges. | There needs to be establish a distinction between circular switched traffic and IP traffic. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | SBC PROPOSAL  |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support   |
|-----------------|------------------------|-------------------|--|---|--|
| 2,6             | ITR<br>13.1            |                   | The Parties agree to the definition, terms, conditions, and use of IP Enabled Services Traffic according to Sections 3.2 and 17 of Appendix IC to this Agreement. For purposes of this Agreement only, "IP Traffic" is limited to traffic originated on customer premises equipment of the end user of CLEC or SBC that originated and/or dialed a call in the IP format and transmitted to the switch of a provider of voice communication applications or services when such switch utilizes IP technology. The Parties have been unable to agree as to whether and under what circumstances IP Traffic should be subject to switched access charges when terminating to an end user served by a Party's circuit switch. Without waiving any rights with respect to either Party's position, the Party delivering IP Traffic for termination to the other Party's end user customer shall pay into an interest bearing escrow account with a Third Party escrow agent mutually agreed upon by the Parties an amount equal to the intrastate and interstate switched access charges that apply to such IP Traffic based on its jurisdictional nature as determined by CPN, subject to adjustments if the CPN does not accurately reflect the physical location of the end user originating the traffic. To be acceptable, the escrow agent and escrow account must meet all of the criteria established in Section 8.5 of the General Terms and Conditions of this Agreement except disbursements from the escrow account will be limited to those authorized in writing by the disputing Party or upon receipt of any effective and applicable FCC rules or order regarding compensation for IP Traffic. | Intended for consistency between the pieces of the agreement, and to avoid confusion. | There needs to be established a distinction between circuit switched traffic and IP traffic. |

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Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                                  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support                                |
|-----------------|------------------------|--|---|---|---|
|                 |                        |  | SBC PROPOSAL  |   |   |
| GT-4            | ITR<br>14.1            | Applicability of other rates, terms and conditions | OTHER RATES, TERMS AND CONDITIONS ARE ADDRESSED IN GENERAL TERMS AND CONTITIONS SECTION 49.0. Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder: definitions; interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnification; remedies; intellectual property; publicity and use of trademarks or service marks, no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; no third party beneficiaries; disclaimer of agency; relationship of the Parties/independent contractor; subcontracting; assignment; responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and | Intended for consistency between the pieces of the agreement, and to avoid confusion. | This language is necessary to show the parties' intent. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | management; signaling; transmission of traffic to third parties; customer inquiries; expenses; conflicts of interest; survival; scope of agreement; amendments and modifications; and entire agreement.   |   |                          |
|                 |                        |                   | SBC PROPOSAL  |   |                          |
| IC-1            | IC 1.3                 | Scope of Appendix | The provisions of this Appendix do not apply to traffic originated over services provided under local Resale service <u>pursuant to 251(c)(4) of the Act.</u>   | Clarifies the scope of the appendix.          | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL  |   |                          |
| IC-1            | IC<br>1.4              | Scope o           | The Parties agree that in light of their responsibilities as <b>common carriers</b> under, <i>inter alia</i> , 47 U.S.C. §§ 201, 202, 251, 252, and 271 and specifically in reference to 47 U.S.C. § 252(a) that the purpose of this Appendix as well as the purpose of this Agreement generally is to ensure that each Party exchanges all forms of traffic including all traffic described in Sections 3 below as well as any information services, CMRS, voice, video, text, or data traffic or any other electronic communications traffic over and between their respective facilities and networks. | Clarifies the scope of the agreement.         | Unknown.                 |
|                 |                        |                   | <u>SBC PROPOSAL</u>   |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-----------------------|--|--|--|
| GT-3            | IC<br>1.5              |                       | Any inconsistencies between the provisions of this Appendix and other provisions of the underlying Interconnection Agreement shall be governed by the provisions of this Appendix.  SBC PROPOSAL   | Clarifies the scope of the appendix.   | Unknown.   |
| GT-3            | IC<br>1.6              |                       | ULEC means A Competitive Local Exchange Carrier that purchases and combines unbundled network elements from the incumbent local exchange carrier in order to provide telecommunications service to customers.  Network element includes the facility or equipment and its features, functions and capabilities used to provide telecommunications service.   | Clarifies the terms of the appendix.   | Unknown.   |
| GT-3            | IC<br>2.1              | Party<br>Designations | SBC Communications Inc. (SBC) means the holding company which directly or indirectly owns the following ILECs: Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The The Telephone Company d/b/a SBC Connecticut, Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|---------------------|-----------------------|---|--|--|
| GT-3            | IC<br>2.2           | Party<br>Designations | Level 3 Communications, L.L.C. ("Level 3") means the Delaware Limited Liability Corporation which is a certificated competitive telecommunications common carrier providing facilities based services including the common carriage of Telecommunications Traffic in states nationwide including throughout the SBC13-State region. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | IC<br>2.3           | Party<br>Designations | SBC-2STATE - As used herein, SBC-2STATE means SBC CALIFORNIA and SBC NEVADA, the applicable SBC-owned ILEC(s) doing business in California and Nevada.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                     |                       | SBC PROPOSAL  |  |  |

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|---------------------|-----------------------|---|--|--|
| GT-3            | IC<br>2.4           | Party<br>Designations | SBC-4STATE - As used herein, SBC-4STATE means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri and SBC Oklahoma the applicable SBC-owned ILEC(s) doing business in Arkansas, Kansas, Missouri and Oklahoma. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                     |                       | SBC PROPOSAL  |  |  |
| GT-3            | IC<br>2.5           | Party<br>Designations | SBC-7STATE - As used herein, SBC-7STATE means SBC SOUTHWEST REGION 5-STATE, SBC CALIFORNIA and SBC NEVADA, the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma, and Texas.        | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                     |                       | SBC PROPOSAL  |  |  |

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Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|---------------------|-----------------------|---|--|--|
| GT-3            | IC<br>2.6           | Party<br>Designations | SBC-8STATE — As used herein, SBC-8STATE means SBC SOUTHWEST REGION 5-STATE, SBC CALIFORNIA, SBC NEVADA, and SBC CONNECTICUT, the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Kansas, Missouri, Nevada, Oklahoma, and Texas. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                     |                       | SBC PROPOSAL  |  |  |
| GT-3            | IC<br>2.7           | Party<br>Designations | SBC-10STATE — As used herein, SBC-10STATE means SBC SOUTHWEST REGION 5-STATE and SBC MIDWEST REGION 5- STATE, the applicable SBC-owned ILEC(s) doing business in Arkansas, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Texas, and Wisconsin.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                     |                       | SBC PROPOSAL  |  |  |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-----------------------|--|--|--|
| GT-3            | IC<br>2.8              | Party<br>Designations | SBC-12STATE — As used herein, SBC-12STATE means SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5-STATE and SBC-2STATE, the applicable SBC owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.                                 | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL   |  |  |
| GT-3            | IC<br>2.9              | Party<br>Designations | SBC-13STATE — As used herein, SBC-13STATE means SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5- STATE, SBC-2STATE and SBC CONNECTICUT, the applicable SBC- owned ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL   |  |  |

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Tier 1 = 1-8Tier 2 = 9-20

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-----------------------|---|--|--|
| GT-3            | IC<br>2.10             | Party<br>Designations | SBC ARKANSAS - As used herein, SBC ARKANSAS means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, the applicable SBC- owned ILEC doing business in Arkansas   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |
| GT-3            | IC<br>2.11             | Party<br>Designations | SBC CALIFORNIA As used herein, SBC CALIFORNIA means Pacific Bell Telephone Company d/b/a SBC California, the applicable SBC-owned ILEC doing business in California | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |

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Tier 1 = 1-8Tier 2 = 9-20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-----------------------|---|--|--|
| GT-3            | IC<br>2.12             | Party<br>Designations | SBC CONNECTICUT - As used herein, SBC CONNECTICUT means The Southern New England Telephone Company d/b/a SBC Connecticut, the applicable above listed ILEC doing business in Connecticut. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |
| GT-3            | IC<br>2.13             | Party<br>Designations | SBC KANSAS - As used herein, SBC KANSAS means Southwestern Bell Telephone, L.P. d/b/a SBC Kansas, the applicable SBC-owned ILEC doing business in Kansas.                                 | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-----------------------|---|--|--|
| GT-3            | IC<br>2.14             | Party<br>Designations | SBC ILLINOIS - As used herein, SBC ILLINOIS means Illinois Bell Telephone Company d/b/a SBC Illinois, the applicable SBC owned ILEC doing business in Illinois.         | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | IC<br>2.15             | Party<br>Designations | SBC INDIANA - As used herein, SBC INDIANA means Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, the applicable SBC owned ILEC doing business in Indiana. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|---------------------|-----------------------|--|--|--|
| GT-3            | IC<br>2.16          | Party<br>Designations | SBC MICHIGAN - As used herein, SBC MICHIGAN means Michigan Bell Telephone Company d/b/a SBC Michigan, the applicable SBC owned doing business in Michigan.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                     |                       | SBC PROPOSAL   |  |  |
| GT-3            | IC<br>2.17          | Party<br>Designations | SBC MIDWEST REGION 5-STATE — As used herein, SBC MIDWEST REGION 5-STATE means Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Ohio, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                     |                       | <u>SBC PROPOSAL</u>  |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-----------------------|--|--|--|
| GT-3            | IC<br>2.18             | Party<br>Designations | SBC MISSOURI - As used herein, SBC MISSOURI means Southwestern Bell Telephone, L.P. d/b/a SBC Missouri, the applicable SBC owned ILEC doing business in Missouri | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL   |  |  |
| GT-3            | IC<br>2.19             | Party<br>Designations | SBC NEVADA - As used herein, SBC NEVADA means Nevada Bell Telephone Company d/b/a SBC Nevada, the applicable SBC owned ILEC doing business in Nevada.            | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-----------------------|---|--|--|
| GT-3            | IC<br>2.20             | Party<br>Designations | SBC OHIO - As used herein, SBC OHIO means The Ohio Bell Telephone Company d/b/a SBC Ohio, the applicable SBC-owned ILEC doing business in Ohio.                   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |
| GT-3            | IC<br>2.21             | Party<br>Designations | SBC OKLAHOMA - As used herein, SBC OKLAHOMA means Southwestern Bell Telephone, L.P. d/b/a SBC Oklahoma, the applicable SBC-owned ILEC doing business in Oklahoma. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-----------------------|--|--|--|
| GT-3            | IC<br>2.22             | Party<br>Designations | SBC SOUTHWEST REGION 5-STATE — As used herein, SBC SOUTHWEST REGION 5-STATE means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas.                 | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL   |  |  |
| GT-3            | IC<br>2.23             | Party<br>Designations | As used herein, <u>SBC TEXAS</u> means Southwestern Bell Telephone, L.P. d/b/a SBC Texas, the applicable SBC owned ILEC doing business in Texas <u>SBC WISCONSIN</u> - As used herein, <u>SBC WISCONSIN</u> means Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC owned ILEC doing business in Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                       | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                                    | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support   |
|-----------------|------------------------|--|---|--|--|
| GT-3            | IC<br>2.24             | Party<br>Designations                                | SBC WISCONSIN - As used herein, SBC WISCONSIN means Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC-owned ILEC doing business in Wisconsin.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included.                           |
|                 |                        |  | SBC PROPOSAL  |  |  |
| 1, 2,<br>6, 7   | IC<br>3.1              | Classification of Traffic  Intercarrier Compensation | 3.1 Telecommunications Traffic exchanged between CLEC and SBC-13STATE will be classified as either:  3.1.1 Telephone Toll Service defined according to 47 U.S.C. §153(48);  3.1.2 Telephone Exchange Service defined according to 47 U.S.C. §153(47);  3.1.3 Exchange Access Service defined according to 47 U.S.C. §153(16); or  3.1.4 Telecommunications Services defined according to 47 U.S.C. §153(46); and  3.1.5 Information Services defined according to 47 U.S.C. §153(20). | The language is designed to clarify the types of traffic that will be exchanged.   | The language does not reflect SBC's understanding of the parties' obligations. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | 3.2 IP ENABLED SERVICES TRAFFIC  |   |                          |
|                 |                        |                   | 3.2.1 <b>Definition of IP-enabled Services</b>   |   |                          |
|                 |                        |                   | 3.2.1.1 IP-enabled Services are defined as, and include, services and applications relying on the Internet Protocol family ("IP), which could include digital communications of increasingly higher speeds that rely upon IP, as well as higher level software services that could be invoked by the end user or on the end user's behalf to make use of communications services. Thus, the term IP-enabled Services includes "applications" and "services" because communications over the Internet are possible with both forms. |   |                          |
|                 |                        |                   | 3.2.1.1.1 Because IP-enabled Services  are enabled by use of IP and the  Internet, IP-enabled Services share the non-geographic nature   |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals                             | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | of electronic communications conducted over the Internet:   |   |                          |
|                 |                        |                   | conducted over the internet.  |   |                          |
|                 |                        |                   | 3.2.1.1.1.1 IP-enabled Services   |   |                          |
|                 |                        |                   | <u>Traffic</u> <u>includes</u> <u>communications</u> traffic                                      |   |                          |
|                 |                        |                   | containing voice  |   |                          |
|                 |                        |                   | <u>communications</u> (i.e.<br><u>Voice embedded IP</u>   |   |                          |
|                 |                        |                   | Communications).  |   |                          |
|                 |                        |                   | 3.2.1.2 The Parties recognize that although state   |   |                          |
|                 |                        |                   | public utility commissions may have   |   |                          |
|                 |                        |                   | jurisdiction over underlying telecommunications facilities, the FCC has                           |   |                          |
|                 |                        |                   | determined that IP-enabled Services are   |   |                          |
|                 |                        |                   | interstate in nature and has preempted state jurisdiction over such services.                     |   |                          |
|                 |                        |                   |   |   |                          |
|                 |                        |                   | 3.2.1.3 In order for Parties communicating via IP-<br>enabled Services to interact with end users |   |                          |
|                 |                        |                   | connected to the Internet by means of   |   |                          |
|                 |                        |                   | circuit switched telecommunications   |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | services addressed by NPA-NXX codes, the underlying telecommunications provider must effect a net protocol conversion from IP to TDM in order to permit the Internet to connect an end users served by a device addressed via the NPA-NXX codes and connected over a legacy circuit switched telephone network.  |   |                          |
|                 |                        |                   | 3.2.2 Identification of IP-enabled Services Exchanged Between the Parties  |   |                          |
|                 |                        |                   | 3.2.2.1 The parties recognize that neither party has a billing system capable of determining the physical location of their customers; rather consistent with industry practice nationwide both Parties' billing systems capture the originating and terminating NPA-NXX, which they subsequently compare to tariff databases and the Local Exchange Routing Guide ("LERG") to identify the location of the switch serving the called or calling |   |                          |

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Level 3's proposal

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Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | calls according to the terms and conditions of this Agreement and their respective tariffs.   |   |                          |
|                 |                        |                   | 3.2.2.2 Because customers of IP-enabled Services  Traffic desire to make calls to the PSTN as well as to other IP-enabled Services Traffic customers, Level 3 provides a service that permits them to make calls to and from devices that are addressed using NPA-NXX codes.  |   |                          |
|                 |                        |                   | 3.2.2.3 In order to ensure that IP-enable Services  Traffic is correctly billed and to ensure that no Circuit Switched Traffic is misbilled and that no other carrier can utilize Level 3's network for toll-bypass, Level 3 will insert into the SS7 call setup message an indicator identifying traffic that originates as IP on Level 3's network.  3.2.2.4 Level 3 recognizes that ILEC billing systems generally, and in this case, SBC13- |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals          | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | State's switches may not capture information out of the SS7 stream at the      |   |                          |
|                 |                        |                   | moment the traffic is exchanged.   |   |                          |
|                 |                        |                   | Accordingly, the Parties agree to develop a                                    |   |                          |
|                 |                        |                   | Percentage of IP Use ("PIPU") factor that                                      |   |                          |
|                 |                        |                   | will be applied to all minutes of usage  |   |                          |
|                 |                        |                   | exchanged between them over the Local  |   |                          |
|                 |                        |                   | Interconnection Trunk Groups. This factor                                      |   |                          |
|                 |                        |                   | will be based upon Level 3's actual and  |   |                          |
|                 |                        |                   | verifiable records of IP-originated traffic. It will be calculated as follows: |   |                          |
|                 |                        |                   | will be calculated as follows.   |   |                          |
|                 |                        |                   | 3.2.2.4.1 In the case of calls originating                                     |   |                          |
|                 |                        |                   | from SBC13-State over the  |   |                          |
|                 |                        |                   | Interconnection Trunks under   |   |                          |
|                 |                        |                   | this Agreement ("Level 3   |   |                          |
|                 |                        |                   | Terminating Traffic"), Level 3   |   |                          |
|                 |                        |                   | shall provide a PIPU factor to   |   |                          |
|                 |                        |                   | identify the percentage of that  |   |                          |
|                 |                        |                   | to an IP Customer and therefore  |   |                          |
|                 |                        |                   | falls within the definition of IP-   |   |                          |
|                 |                        |                   | enabled Services Traffic under   |   |                          |

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| Appendix or<br>Section<br>ISSUE<br>NUMBER | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|---|-------------------|---|---|--------------------------|
|   |                   | this Agreement.  3.2.2.4.2 In the case of calls originating from Level 3 over the Interconnection Trunks under this Agreement ("SBC13-State Originating Traffic"), Level 3 shall provide a PIPU factor to identify the percentage of that traffic that is in fact originating from an IP Customer and therefore falls within the definition of IP-enabled Services Traffic under this Agreement.  3.2.2.4.3 Level 3 will provide separate PIPU factors for Level 3 Terminating Traffic and Level 3 Originating Traffic. These PIPU factors shall be applied to all originating or terminating minutes of use (as applicable) exchanged over the |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals                              | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | Interconnection Trunks between the Parties under this  |   |                          |
|                 |                        |                   | Agreement.   |   |                          |
|                 |                        |                   | 2.2.2.5 To the output SDC12 State officer complete in  |   |                          |
|                 |                        |                   | 3.2.2.5 To the extent SBC13-State offers services in and outside of its operating territories that |   |                          |
|                 |                        |                   | support either origination from or   |   |                          |
|                 |                        |                   | termination to an SBC13-State IP-enabled<br>Services Traffic Customer and the exchange             |   |                          |
|                 |                        |                   | of traffic with the PSTN. To ensure that   |   |                          |
|                 |                        |                   | this traffic is correctly billed and to ensure that no Circuit Switched Traffic is misbilled       |   |                          |
|                 |                        |                   | and that no other carrier can utilize SBC13-   |   |                          |
|                 |                        |                   | State's network for toll-bypass, SBC13-  |   |                          |
|                 |                        |                   | State agrees to develop methods for accurately identifying traffic that originates                 |   |                          |
|                 |                        |                   | as IP on SBC13State's network and shall  |   |                          |
|                 |                        |                   | likewise provide its own originating and   |   |                          |
|                 |                        |                   | terminating PIPU factors in the same manner as Level 3 under this Section                          |   |                          |
|                 |                        |                   | mainer as Dever 5 under this Section   |   |                          |
|                 |                        |                   | 3.2.3 Compensation for IP-enabled Services Traffic   |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | 3.2.3.1 The Parties shall compensate each other for termination of all minutes of traffic identified as IP-enabled Services Traffic pursuant to application of a PIPU factor at \$0.0007 per minute of use or at the state approved local compensation rates to terminate IP-enabled Services Traffic to either Party's end user customer. |   |                          |
|                 |                        |                   | 3.3 ISP-Bound Traffic shall mean Telecommunications Services Traffic exchanged between the Parties where the originating Customer of one Party places a Circuit Switched Traffic call over the circuit-switched network to an Internet Serivce Provider ("ISP") customer of the other Party.   |   |                          |
|                 |                        |                   | 3.4 Circuit-Switched Traffic is defined as any Telecommunication Services traffic that:  3.4.1 uses ordinary customer premises equipment (CPE) with no enhanced functionality; and  3.4.2 Customers using a Circuit-Switched service place   |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | and receive calls with the same telephones they use for all other Circuit-Switched calls. So, for example, where the customer dials an NPA-NXX that appears in ILEC tariffs as Telephone Toll Service, the customer would iniate the call by dialing 1 plus the called party's number (NPA-NXX-XXXX), just as in any other circuit-switched long distance calls, which calls are traditionally routed over Feature Group D trunks; and |   |                          |
|                 |                        |                   | 3.4.3 End-user customers do not order a different service, pay different rates, or place and receive calls any differently than they do through IXC traditional circuit-switched long distance service; and  |   |                          |
|                 |                        |                   | 3.4.4 The call originates and terminates on the public switched telephone network (PSTN); and  3.4.4.1 The call undergoes no net protocol conversion and provides no enhanced functionality to end users due to the provider's use of IP technology; and   |   |                          |

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|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | 3.4.5 Obtains the same circuit-switched access as obtained by other interexchange carriers, and therefore imposes the same burdens on the local exchange as do other interexchange carriers by virtue of the switched access network. Customers of Circuit Switched Traffic receive no enhanced functionality by using the service. Circuit Switched Traffic obtains the same circuit-switched interstate access for its specific service as obtained by other interexchange carriers, and, therefore, phone to phone circuit switched service imposes the same burdens on the local exchange as do circuit-switched interexchange calls because it makes use of the access network.  a.Section 251(b)(5)both physically located in the same ILEC Local Exchange Area as defined by the ILEC Local (or "General") Exchange Tariff on file with the applicable state commission or regulatory agency; or both physically located within neighboring ILEC Local Exchange Areas that are within the same common mandatory local calling area. This includes but is not limited to, mandatory Extended Area Service (EAS), mandatory Extended Local Calling Service (ELCS), or other types of mandatory |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | expanded local calling scopes.   |   |                          |
|                 |                        |                   | 3.2 In accordance with the FCC's Order on Remand Report and  |   |                          |
|                 |                        |                   | Order, In the Matter of Implementation of the Local  |   |                          |
|                 |                        |                   | Compensation Provisions in the Telecommunications Act of   |   |                          |
|                 |                        |                   | 1996, Intercarrier Compensation for ISP-Bound Traffic, FCC   |   |                          |
|                 |                        |                   | 01-131, CC Docket Nos. 96-98, 99-68 (rel. April, 27, 2001) ("FCC ISP Compensation Order"), "ISP-Bound Traffic" shall |   |                          |
|                 |                        |                   | mean telecommunications traffic exchanged between CLEC and   |   |                          |
|                 |                        |                   | SBC-13STATE in which the originating End User of one Party   |   |                          |
|                 |                        |                   | and the ISP served by the other Party are:   |   |                          |
|                 |                        |                   | a.both physically located in the same ILEC Local Exchange  |   |                          |
|                 |                        |                   | Area as defined by the ILEC's Local (or "General")   |   |                          |
|                 |                        |                   | Exchange Tariff on file with the applicable state commission   |   |                          |
|                 |                        |                   | or regulatory agency; or   |   |                          |
|                 |                        |                   | b.both physically located within neighboring ILEC Local  |   |                          |
|                 |                        |                   | Exchange Areas that are within the same common mandatory   |   |                          |
|                 |                        |                   | local calling area. This includes, but it is not limited to,   |   |                          |
|                 |                        |                   | mandatory Extended Area Service (EAS), mandatory   |   |                          |
|                 |                        |                   | Extended Local Calling Service (ELCS) or other types of  |   |                          |
|                 |                        |                   | <u>mandatory expanded local calling scopes.</u>  |   |                          |
|                 |                        |                   | In states in which SBC-13STATE has offered to exchange Section   |   |                          |

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|-----------------|------------------------|---------------------------|---|---|--------------------------|
|                 |                        |                           | 251(b)(5) Traffic and ISP Bound traffic pursuant to the FCC's interim ISP terminating compensation plan set forth in the FCC ISP Compensation Order, traffic is presumed to be ISP Bound Traffic in accordance with the rebuttable presumption set forth in Section 6.6 of this Appendix.   |   |                          |
|                 |                        |                           | SBC PROPOSAL  |   |                          |
| 1, 4            | IC<br>3.5              | Classification of Traffic | The Parties agree that, notwithstanding the classification of traffic under this Appendix, either Party is free to define its own "local" calling area(s) for purposes of its provision of telecommunications services to its end users to the extent that those local calling areas are geographically larger than existing approved local calling areas in a state. | Clarifies the scope of the appendix.          | Unknown                  |
|                 |                        |                           | SBC PROPOSAL  |   |                          |

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|-----------------|------------------------|---------------------------|--|--|--|
| 7,<br>IC-1      | IC<br>3.6              | Classification of Traffic | For Section 251(b)(5) Traffie, ISP-Bound Traffic, and Circuit Switched Traffic including Optional EAS Traffic, and IntraLATA toll, the Party whose End User originates such traffic shall compensate the Party who terminates such traffic to its End User for the transport and termination of such traffic at the applicable rate(s) provided in this Appendix and Appendix Pricing and/or the applicable switched access tariffs. As of the date of this Agreement, ULECs in SBC CONNECTICUT, cannot seek intercarrier compensation for Circuit Switched Traffic ealls that they originate from or terminate to their end users over a loop provided by SBC-Connecticut to the ULEC pursuant to unbundling obligations or other wholesale arrangements originated over UNEs are not subject to intercarrier compensation since the rates for unbundled local switching reflect and include the costs of call termination. | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges. | SBC believes IP-<br>Enabled traffic should<br>be assessed access<br>charges. |
|                 |                        |                           | SBC PROPOSAL   |  |  |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|---------------------|---------------------------------|--|--|--------------------------|
| 7,<br>IC-1      | IC<br>3.7           | Classification of Traffic       | The Parties' obligation to pay intercarrier compensation arises from traffic that originates from and terminates to customers subscribing to services provided by either party. Accordingly, no reciprocal compensation, access charges or any other form of compensation arises when the Parties exchange traffic that is used to test connections or equipment connected to either Party's network. to each other shall commence on the date the Parties agree that the interconnection is complete (i.e., each Party has established its originating trunks as well as all ancillary traffic trunking such as Operator Services, 911 or Mass Calling trunks).   | VoIP traffic has never<br>been assessed access<br>charges. SBC's<br>proposed language is<br>geared towards lumping<br>VoIP services into a<br>switched-based service,<br>and, as such, imposing<br>access charges.                           | Same as above.           |
|                 |                     |                                 | SBC PROPOSAL   |  |                          |
| 6,<br>IC-2      | IC<br>4.2           | Responsibilities of the Parties | To the extent technically feasible, each Party shall provide CPN as defined in 47 C.F.R. § 64.1600(c) ("CPN") and Originating Carrier Number ("OCN") for <b>Telecommunications Traffic</b> originating on its network and passed to the network of the other party. Neither Party shall intentionally strip, alter, modify, add, delete, change, or incorrectly assign any such CPN for any Telecommunications Traffic. Each party shall pass the CPN (and OCN) for the traffic it receives from any third party. The parties recognize that neither party has a billing system capable of determining the physical location of their customers; rather consistent with industry practice nationwide both Parties' billing systems utilize tariff databases and the Local Exchange Routing Guide ("LERG") to identify the location of the switch serving the called or calling NPA-NXX codes and then rate those calls | Changes are consistent with federal requirements. VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges. | Same as above.           |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | according to the terms and conditions of this Agreement. To the extent that either party is able to identify improper, incorrect, or fraudulent use of Circuit Switched local exchange services (including but not limited to PRI, ISDN and/or smart trunks or to the extent either party is able to identify stripped, altered, modified, added, deleted, changed, and/or incorrectly assigned CPN, the Parties agree to cooperate with one another to investigate and take corrective action. For all traffic including, without limitation, interexchange traffic and interexchange VolP traffic except wireless traffic, each Party shall provide Signaling Data (as defined below) and shall not strip, alter, modify, add, delete, change, or incorrectly assign any Signaling Data. Signaling Data shall, at a minimum, include information that accurately reflects the geographic location of the end user that originated and/or dialed the call, when including such information is technically feasible. For purposes of this Agreement, Signaling Data includes, but is not limited to, calling party number as defined in 47 C.F.R. Section 64.1600(e) ("CPN"), Automatic Number Identification as defined in 47 C.F.R. Section 64.1600(d), Jurisdictional Indicator Parameter ("JMCI") and any other signaling data that affects the terminating Party's ability to jurisdictionalize traffic. |   |                          |
|                 |                        |                   | <u>SBC PROPOSAL</u>   |   |                          |

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|-----------------|------------------------|---------------------------------|---|---|--------------------------|
| IC-2            | IC 4.4                 | Responsibilities of the Parties | If one Party is passing CPN and/ or OCN but the other Party is not properly receiving such information, the Parties will work cooperatively to correct the problem.   | Clarifies scope of the appendix.              | Unknown.                 |
|                 |                        |                                 | SBC PROPOSAL  |   |                          |
| 6,<br>IC-2      | IC<br>4.5              | Responsibilities of the Parties | Where either Level 3 or SBC-13STATE delivers Circuit Switched Traffic to the other Party for termination to the other Party's customer, each party will provide OCN and CPN with such traffic or use commercially reasonable efforts to deliver the equivalent information to the other party on at least Ninety Percent (90%), of all calls exchanged between the Parties in direct proportion to the MOUs of calls exchanged with CPN. If the percentage of calls passed with CPN is less than Ninety Percent (90%), then all Circuit Switched Traffic calls passed without CPN will be billed according to the receiving Party's applicable, valid and effective FCC Interstate Access Tariff or Rate Sheet as permitted and filed according to, <i>inter alia</i> , Part 64 of the FCC's Rules. | Clarifies the duties of the parties.          | Unknown.                 |
|                 |                        |                                 | SBC PROPOSAL  |   |                          |

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|-----------------|------------------------|-------------------|--|---|---------------------------|
| 3,              | IC                     | Responsibilities  | Where one party is performing a transiting function, the transiting party will   | Clarifies the duties of the                   | SBC is not required       |
| IC-2            | 4.6                    | of the Parties    | pass the Signaling Data, including specifically OCN for traffic received from    | parties consistent with                       | under Section 251 to      |
|                 |                        |                   | the originating third party, including any SBC UNE-P carrier customers           | the Act.                                      | exchange certain traffic. |
|                 |                        |                   | whether such customers purchase local switching from SBC pursuant to             |   |                           |
|                 |                        |                   | Section 251, 271, 201 or any other regulated or non-regulated arrangement        |   |                           |
|                 |                        |                   | and whether or not such arrangement is publicly or privately filed. Except       |   |                           |
|                 |                        |                   | for SBC originated UNE-P traffic, if the Signaling Data – including OCN –        |   |                           |
|                 |                        |                   | is not received from the originating third party, the transiting Party agrees to |   |                           |
|                 |                        |                   | be billed as the default originator.   |   |                           |
|                 |                        |                   | SBC PROPOSAL   |   |                           |
|                 |                        |                   |  |   |                           |

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|-----------------|---|---------------------------------|---|--|--|
| 6, 7            | IC<br>4.7,<br>4.7.1,<br>4.7.2,<br>4.7.2.1 | Responsibilities of the Parties | 4.7.1 In order for Parties communicating via IP-enabled Services to interact with end users connected to the Internet by means of circuit switched telecommunications services addressed by NPA-NXX codes, the underlying telecommunications provider must effect a net protocol conversion from IP to TDM or TDM to IP format in order to permit the Internet to connect an end users served by a device addressed via the NPA-NXX codes and connected over circuit switched telephone networks.  4.7.2 The Parties agree, therefore, that consistent with Section 3.2 above, that they will exchange any and all IP Enabled Services traffic over Local Interconnection Trunk Groups.  4.7.2.1 Should any dispute arise over the jurisdictional nature or classification of traffic, the Parties agree to resolve such disputes through the dispute resolution process contained within this Agreement and in no event will either party block the other's traffic without following the dispute resolution procedures contained in this Agreement and according to Applicable Law. | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges. | SBC believes IP- Enabled traffic should be assessed access charges and is not subject to this agreement. |
|                 |   |                                 | SBC PROPOSAL  |  |  |

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|-----------------|------------------------|-------------------|---|---|--------------------------|
| 4, 7            | IC                     | Traffic           | Until and unless <u>SBC-13STATE</u> chooses to offer to exchange <u>Section</u>   |   | SBC believes IP-         |
|                 | 5.1-                   | Termination       | 251(b)(5) Traffic and ISP-Bound Traffic in a particular state on and after a  |   | Enabled traffic should   |
|                 | 5.1.1                  |                   | designated date pursuant to the terms and conditions of the FCC's interim   |   | be assessed access       |
|                 |                        |                   | ISP terminating compensation plan, the parties shall exchange ISP-Bound   |   | charges.                 |
|                 |                        |                   | traffic according to the intercarrier compensation rates set by the state public  |   |                          |
|                 |                        |                   | utility commission for local traffic as of the Effective Date of this   |   |                          |
|                 |                        |                   | Agreement. compensation set forth below in Sections 5.2 through 5.6 will  |   |                          |
|                 |                        |                   | also apply to all Section 251(b)(5) Traffic in Section 3.2 of this Appendix   |   |                          |
|                 |                        |                   | and ISP-Bound Traffic as defined in Section 3.3 of this Appendix in that  |   |                          |
|                 |                        |                   | particular state. At such time as the ILEC_SBC13-State chooses offers to  |   |                          |
|                 |                        |                   | exchange—Section 251(b)(5) Traffic and ISP-Bound Traffic in a particular state on and after a designated date—pursuant to the terms and conditions of |   |                          |
|                 |                        |                   | the FCC's interim terminating compensation plan. At such time as the FCC  |   |                          |
|                 |                        |                   | issues a successor order to the current interim termination compensation  |   |                          |
|                 |                        |                   | plan, the parties agree to compensate each other according to such Order  |   |                          |
|                 |                        |                   | immediately upon the effective date the FCC order. the compensation set   |   |                          |
|                 |                        |                   | forth below in Sections 5.2 through 5.6 will apply only to Section 251(b)(5)  |   |                          |
|                 |                        |                   | Traffic in that state on the later of (i) the Effective Date of this Agreement  |   |                          |
|                 |                        |                   | and (ii) the effective date of the offer in a particular state. The Parties   |   |                          |
|                 |                        |                   | acknowledge that SBC INDIANA, SBC OHIO, SBC TEXAS, SBC  |   |                          |
|                 |                        |                   | WISCONSIN, SBC ARKANSAS, SBC MICHIGAN, SBC CALIFORNIA   |   |                          |
|                 |                        |                   | and SBC ILLINOIS each have made such offer in its respective state of (i)   |   |                          |
|                 |                        |                   | Indiana, Ohio, Texas and Wisconsin effective on and after June 1, 2003, (ii)  |   |                          |
|                 |                        |                   | Arkansas and Michigan effective on and after July 6, 2003, California   |   |                          |

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Tier 2 = 9 - 20

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|-----------------|------------------------|------------------------|---|--|--|
|                 |                        |                        | effective on and after August 1, 2003, and (iv) Illinois effective on and after September 1, 2003; therefore, the compensation set forth in Sections 5.2 through 5.6 below will apply only to Section 251(b)(5) Traffic in Indiana, Ohio, Texas, Wisconsin, Arkansas, Michigan, California, Illinois and such other state in which SBC 13STATE makes an offer on the later of (i) the Effective Date of this Agreement and (ii) the effective date of the offer in a particular state.  SBC PROPOSAL  |  |  |
| 4,7             | IC                     | Traffic<br>Termination | <ul> <li>5.1.1 Local, Virtual Foreign Exchange, Mandatory Local and Optional EAS traffic eligible for reciprocal compensation will be combined with traffic terminated to Internet Service Providers ("ISPs") to determine the Total Compensable Local Traffic.</li> <li>5.1.1.1 In determining the Total Compensable Local Traffic, Circuit Switched IntraLATA toll and IXC-carried intraLATA toll Traffic are excluded, and will be subject to Meet Point Billing as outlined in the Interconnection Agreement and each Party's applicable state-approved or FCC-approved tariffs or FCC approved or sanctioned terms, rates and conditions.</li> <li>5.1.1.2 The rates for the termination of Circuit Switched intraLATA toll and Originating 8YY traffic are governed by each Party's applicable state-approved or FCC-approved tariffs or FCC</li> </ul> | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges. | SBC believes IP-<br>Enabled traffic should<br>be assessed access<br>charges. |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | approved or sanctioned terms, rates and conditions, provided however, that 8YY Traffic bearing translated NPA-NXX codes that are local to NPA-NXX codes at the point where the traffic is handed off will be rated as Local Traffic. |   |                          |
|                 |                        |                   | 5.1.2 In determining the Total Compensable Local Traffic, SBC13- State-transited minutes of use (MOUs) will be excluded from these calculations.   |   |                          |
|                 |                        |                   | 5.1.2.1 The rates for SBC ILECs-transited MOUs will be governed by this Interconnection Agreement.   |   |                          |
|                 |                        |                   | 5.1.2.2 Subject to applicable confidentiality guidelines, SBC  13State and Level 3 will cooperate to identify Circuit  Switched toll and transiting traffic; originators of such  Circuit Switched toll and transiting traffic; and  |   |                          |
|                 |                        |                   | information useful for settlement purposes with such Circuit Switched toll and transiting traffic originators including but not limited to OCNs associated with traffic originated by carrier customers purchasing SBC UNE-P         |   |                          |
|                 |                        |                   | products or their equivalent.  5.1.2.2.1 To the extent necessary to ensure proper billing of Circuit Switched toll and transit traffic exchanged   |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | over SBC 13State and Level 3 intercarrier local interconnection facilities, SBC 13State and Level 3 agree to explore additional options for management and accounting of Circuit Switched toll and transit traffic, including, but not limited to the exchange of signaling/call-related information in addition to the CPN and OCN.   |   |                          |
|                 |                        |                   | 5.1 Bifurcated Rates (Call Set Up and Call Duration). The Parties agree to compensate each other for the termination of Section 251(b)(5) Traffic and ISP-Bound Traffic (if applicable in accordance with Section 5.0), on a "bifurcated" basis, meaning assessing an initial Call Set Up charge on a per Message basis, and then assessing a separate Call Duration charge on a per Minute of Use (MOU) basis, where ever per Message charges are applicable. The following rate elements apply, but the corresponding rates are shown in Appendix Pricing: |   |                          |
|                 |                        |                   | 5.2 Tandem Serving Rate Elements:  5.2.1 Tandem Switching - compensation for the use of tandem switching only.  5.2.2 Tandem Transport - compensation for the transmission facilities between the local tandem and the end offices subtending that tandem.   |   |                          |

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|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | 5.2.3 End Office Switching in a Tandem Serving Arrangement compensation for the local end office switching and line termination necessary to complete the transmission in a tandem served arrangement. It consists of a call set up rate (per message) and a call duration (per minute) rate.   |   |                          |
|                 |                        |                   | 5.3 End Office Serving Rate Elements  5.3.1 End Office Switching - compensation for the local end office switching and line termination necessary to complete the transmission in an end office serving arrangement. It consists of a call set-up rate (per message) and a call duration (per minute) rate.   |   |                          |
|                 |                        |                   | 5.3.2 For interswitch Section 251(b)(5) Traffic and ISP-Bound Traffic exchanged between SBC MIDWEST REGION 5 STATE end users and CLEC's end users where CLEC utilizes SBC MIDWEST REGION 5-STATE's ULS (including UST), intercompany compensation for such traffic shall be paid for reciprocally at the following rates for the applicable state: (i) for the states of Indiana and Ohio, at the ULS Reciprocal Compensation rate contained in Appendix Pricing; and (ii) for the states of Wisconsin, Michigan and Illinois, at the End Office Switching rate found in the Reciprocal Compensation section of Appendix Pricing. |   |                          |

Tier 1 = 1-8

Tier 2 = 9 - 20

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | 5.3.3 For interswitch Section 251(b)(5) Traffic and ISP-Bound Traffic exchanged between SBC CALIFORNIA, SBC NEVADA and SBC                     |   |                          |
|                 |                        |                   | SOUTHWEST REGION 5-STATE end users and CLEC's end users where  |   |                          |
|                 |                        |                   | CLEC utilizes ULS (including UST) of SBC CALIFORNIA, SBC   |   |                          |
|                 |                        |                   | NEVADA or SBC SOUTHWEST REGION 5-STATE, such traffic shall be  |   |                          |
|                 |                        |                   | paid for reciprocally at the End Office Switching compensation rate for the  |   |                          |
|                 |                        |                   | applicable state contained in the Reciprocal Compensation section of Appendix Pricing.   |   |                          |
|                 |                        |                   | 5.3.4 For the purposes of intercompany compensation where CLEC   |   |                          |
|                 |                        |                   | utilizes SBC-13STATE's ULS (including UST), CLEC shall be solely responsible for establishing compensation arrangements(and associated         |   |                          |
|                 |                        |                   | charges) with third party carriers that CLEC originates traffic to, and/or   |   |                          |
|                 |                        |                   | terminates traffic from, including traffic carried by Shared Transport-Transit   |   |                          |
|                 |                        |                   | and traffic carried on the IntraLATA Transmission Capabilities. CLEC shall   |   |                          |
|                 |                        |                   | indemnify and defend SBC-13STATE against any claims and/or damages   |   |                          |
|                 |                        |                   | that may result from the origination and/or termination of such traffic to   |   |                          |
|                 |                        |                   | and/or from such third parties. SBC-13STATE may provide information regarding such traffic to other telecommunications carriers or entities as |   |                          |
|                 |                        |                   | appropriate to address traffic compensation issues.  |   |                          |
|                 |                        |                   | 5.4 CLEC shall only be paid End Office Serving Rate Elements.  |   |                          |
|                 |                        |                   | 5.5 All ISP-Bound Traffic for a given usage month shall be due and   |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | owing at the same time as payments for Section 251(b)(5) under this Appendix. The parties agree that all terms and conditions regarding disputed |   |                          |
|                 |                        |                   | minutes of use, nonpayment, partial payment, late payment, interest on   |   |                          |
|                 |                        |                   | outstanding balances, or other billing and payment terms shall apply to ISP-   |   |                          |
|                 |                        |                   | Bound Traffic the same as for Section 251(b)(5) Traffic under this Appendix.   |   |                          |
|                 |                        |                   | 5.6 Intercarrier Compensation for ULS Traffie  |   |                          |
|                 |                        |                   | 5.6.1 For interswitch Section 251(b)(5) Traffic and ISP-Bound Traffic  |   |                          |
|                 |                        |                   | exchanged between SBC MIDWEST REGION 5-STATE end users and   |   |                          |
|                 |                        |                   | CLEC's end users where CLEC utilizes SBC MIDWEST REGION 5-   |   |                          |
|                 |                        |                   | STATE's ULS (including UST), such traffic shall be paid for reciprocally at  |   |                          |
|                 |                        |                   | the ULS Reciprocal Compensation rate contained in Appendix Pricing. For  |   |                          |
|                 |                        |                   | the states of Wisconsin, Michigan and Illinois, the ULS Reciprocal   |   |                          |
|                 |                        |                   | Compensation rate is the same as the End Office Switching rate found in the  |   |                          |
|                 |                        |                   | Reciprocal Compensation section of Appendix Pricing.   |   |                          |
|                 |                        |                   | 5.6.2 For interswitch Section 251(b)(5) Traffic and ISP-Bound Traffic  |   |                          |
|                 |                        |                   | exchanged between SBC CALIFORNIA, SBC NEVADA and SBC   |   |                          |
|                 |                        |                   | SOUTHWEST REGION 5-STATE end users and CLEC's end users where  |   |                          |
|                 |                        |                   | CLEC utilizes ULS (including UST) of SBC CALIFORNIA, SBC   |   |                          |
|                 |                        |                   | NEVADA or SBC SOUTHWEST REGION 5-STATE, such traffic shall be  |   |                          |
|                 |                        |                   | paid for reciprocally at the End Office Switching compensation rate  |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | contained in the Reciprocal Compensation section of Appendix Pricing.  6. RATES, TERMS AND CONDITIONS OF FCC'S INTERIM—ISP TERMINATING COMPENSATION PLAN   |   |                          |
|                 |                        |                   | 6.1 The Parties hereby agree that the following rates, terms and conditions set forth in Sections 6.2 through 6.6 shall apply to the termination of all Section 251(b)(5) Traffic and all ISP-Bound Traffic exchanged between the Parties in each—of the applicable state(s) SBC-13STATE has made an offer as described in Section 5 above effective on the later of (i) the Effective Date of this Agreement—and (ii) the effective date of the offer in the particular state and that all ISP-Bound Traffic is subject to the growth caps and new market restrictions stated in Sections 6.3 and 6.4, below. |   |                          |
|                 |                        |                   | 6.2 Intercarrier Compensation for all ISP-Bound Traffic and Section 251(b)(5) traffic  |   |                          |
|                 |                        |                   | 6.2.1 The rates, terms, conditions in Sections 6.2 through 6.6 apply only to the termination of all Section 251(b)(5) Traffic and all ISP-Bound Traffic as defined in Section 3.2 and Section 3.3 above and is subject to the growth caps and new market restrictions stated in Sections 6.3 and 6.4 below. 6.2.2 The Parties agree to compensate each other for the transport and termination of all Section 251(b)(5) and ISP-Bound Traffic and traffic on a   |   |                          |

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|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | minute of use basis, at \$.0007 per minute of use.  |   |                          |
|                 |                        |                   | 6.2.3 Payment of Intercarrier Compensation on ISP-Bound Traffic and Section 251(b)(5) Traffic will not vary according to whether the traffic is routed through a tandem switch or directly to an end office switch.  6.3 ISP-Bound Traffic Growth Cap |   |                          |
|                 |                        |                   | 6.3.1 On a calendar year basis, as set forth below, the Parties agree to cap overall ISP Bound Traffic minutes of use based upon the 1st Quarter 2001 ISP minutes for which the CLEC was entitled to compensation under its                           |   |                          |
|                 |                        |                   | Interconnection Agreement(s) in existence for the 1st Quarter of 2001, on the following schedule:   |   |                          |
|                 |                        |                   | Calendar Year 2001 1st Quarter 2001 compensable ISP Bound Traffic minutes, times 4, times 1.10  |   |                          |
|                 |                        |                   | Calendar Year 2002 Year 2001 compensable ISP-Bound Traffic minutes, times 1.10  |   |                          |
|                 |                        |                   | Calendar Year 2003 Year 2002 compensable ISP-Bound Traffic minutes  |   |                          |
|                 |                        |                   | Calendar Year 2004 and thereafter Year 2002 compensable ISP-Bound Traffic minutes   |   |                          |
|                 |                        |                   | 6.3.2 Notwithstanding anything contrary herein, in Calendar Year 2004,  |   |                          |
|                 |                        |                   | the Parties agree that ISP-Bound Traffic exchanged between the Parties  |   |                          |
|                 |                        |                   | during the entire period from January 1, 2004 until December 31, 2004shall be counted towards determining whether CLEC has exceeded the growth  |   |                          |
|                 |                        |                   | caps for Calendar Year 2004.  |   |                          |

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|-----------------|---------------------|-------------------|---|---|--------------------------|
|                 |                     |                   | 6.3.3 ISP-Bound Traffic minutes that exceed the applied growth cap will be Bill and Keep. "Bill and Keep" refers to an arrangement in which neither |   |                          |
|                 |                     |                   | of two interconnecting parties charges the other for terminating traffic that   |   |                          |
|                 |                     |                   | originates on the other party's network ; instead, each Party recovers from   |   |                          |
|                 |                     |                   | its end users the cost of both originating traffic that it delivers to the other  |   |                          |
|                 |                     |                   | Party and terminating traffic that it receives from the other Party.  |   |                          |
|                 |                     |                   | 6.4 Bill and Keep for ISP-Bound Traffic in New Markets  |   |                          |
|                 |                     |                   | 6.4.1 In the event the Parties have not previously exchanged ISP-Bound  |   |                          |
|                 |                     |                   | Traffic in any one or more LATAs in a particular state prior to April 18,   |   |                          |
|                 |                     |                   | 2001, Bill and Keep will be the reciprocal compensation arrangement for all   |   |                          |
|                 |                     |                   | ISP-Bound Traffic between the Parties for the remaining term of this  |   |                          |
|                 |                     |                   | Agreement in any such LATAs in that state.  |   |                          |
|                 |                     |                   | 6.4.2 In the event the Parties have previously exchanged traffic in a LATA  |   |                          |
|                 |                     |                   | in a particular state prior to April 18, 2001, the Parties agree that they shall  |   |                          |
|                 |                     |                   | only compensate each other for completing ISP-Bound Traffic exchanged in that LATA, and that any ISP-Bound Traffic in other LATAs shall be Bill     |   |                          |
|                 |                     |                   | and Keep for the remaining term of this Agreement.  |   |                          |
|                 |                     |                   | and teep for the remaining term of this regreement.   |   |                          |
|                 |                     |                   | 6.5 Growth Cap and New Market Bill and Keep Arrangements  |   |                          |
|                 |                     |                   | 6.5.1 Wherever Bill and Keep for ISP-Bound Traffic is the traffic   |   |                          |
|                 |                     |                   | termination arrangement between the Parties, both Parties shall segregate the   |   |                          |
|                 |                     |                   | Bill and Keep traffic from other compensable traffic either (a) by excluding  |   |                          |
|                 |                     |                   | the Bill and Keep minutes of use from other compensable minutes of use in   |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | the monthly billing invoices, or (b) by any other means mutually agreed upon by the Parties.  6.5.2 The Growth Cap and New Market Bill and Keep arrangement applies only to ISP-Bound Traffic, and does not include Optional EAS traffic, IntraLATA Interexchange traffic.   |   |                          |
|                 |                        |                   | 6.6 ISP-Bound Traffic Rebuttable Presumption  6.6.1 In accordance with Paragraph 79 of the FCC's ISP Compensation Order, the Parties agree that there is a rebuttable presumption that any of the combined Section 251(b)(5) Traffic and ISP Bound Traffic exchanged   |   |                          |
|                 |                        |                   | between the Parties exceeding a 3:1 terminating to originating ratio is presumed to be ISP-Bound Traffic subject to the compensation and growth cap terms in this Section 6.3. Either Party has the right to rebut the 3:1 ISP-Bound Traffic presumption by identifying the actual ISP-Bound Traffic by any means mutually agreed by the Parties, or by any method approved by the   |   |                          |
|                 |                        |                   | Commission. If a Party seeking to rebut the presumption takes appropriate action at the Commission pursuant to Section 252 of the Act and the Commission agrees that such Party has rebutted the presumption, the methodology and/or means approved by the Commission for use in determining the ratio shall be utilized by the Parties as of the date of the Commission approval and, in addition, shall be utilized to determine the |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | appropriate true up as described below. During the pendency of any such proceedings to rebut the presumption, the Parties—will remain obligated to pay the presumptive rates (the rates set forth in Section 5 for traffic below a 3:1 ratio, the rates set forth in Section 6.2.2 for traffic above the ratio) subject to a true up upon the conclusion of such proceedings. Such true up shall be retroactive back to the date a Party first sought appropriate relief from the Commission.  6.7 For purposes of this Section 6, all Section 251(b)(5) Traffic and all ISP-Bound Traffic shall be referred to as "Billable Traffic" and will be billed in accordance with Section 15.0 below. The Party that transport and terminates more "Billable Traffic" ("Out of Balance Carrier") will, on a monthly basis, calculate (i) the amount of such traffic to be compensated at the FCC's interim ISP terminating compensation rate set forth in Section 6.2.2 above and (ii) the amount of such traffic subject to bill and keep in accordance with Sections 6.3, 6.4 and 6.5 above. The Out of Balance Carrier will invoice on a monthly basis the other Party in accordance with the provisions in this Agreement and the FCC's interim ISP terminating compensation plan. |   |                          |
|                 |                        |                   | SBC PROPOSAL   |   |                          |

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|-----------------|------------------------|-----------------------------------|--|--|--------------------------|
| 6,7             | IC 7.1, 7.2            | Other Telecommunicati ons Traffic | 7.1 Circuit Switched Telecommunications which is governed by the terms, rates and conditions contained in either party's filed and effective federal or state tariffs, or which is determined to be interstate interexchange services and permissively detariffed (See, e.g., 47 C.F.R. § 61 (2003)) will be governed by the rates, terms and conditions of either Party's tariff or of Level 3's terms, rates and conditions subject to Applicable Law including but not limited to state law or federal law.  The compensation arrangements set forth in Sections 5 and 6 of this Appendix are not applicable to (i) interstate or intrastate Exchange Access traffic, (ii) Information Access traffic, (iii) Exchange Services for access or (iv) any other type of traffic found to be exempt from reciprocal compensation by the FCC or the Commission, with the exception of ISP-Bound Traffic which is addressed in this Appendix. All Exchange Access traffic and IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of applicable federal and state tariffs.  7.2 Foreign Exchange (FX) services are retail service offerings purchased by FX customers which allow such FX customers to obtain exchange service from a mandatory local calling area other than the mandatory local calling area where the FX customer is physically located, but within the same LATA as the number that is assigned. FX service enables particular end user customers to avoid what might otherwise be toll calls between the FX customer's physical location and customers in the foreign exchange. FX Telephone Numbers" (also known as "NPA-NXX" codes) shall be those | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3's language clarifies the types of traffic that are subject to local rates. | Same as above.           |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | telephone numbers with different rating and routing points relative to a given mandatory local calling area. FX Telephone Numbers that deliver second dial tone and the ability for the calling party to enter access codes and an additional recipient telephone number remain classified as Feature Group A (FGA) calls, and are subject to the originating and terminating carrier's tariffed Switched Exchange Access rates (also known as "Meet Point Billed" compensation), or if jointly provisioned FGA service, subject to the terms and conditions of Appendix FGA. FX Traffic is not Section 251(b)(5) Traffic and instead the transport and termination compensation for FX Traffic is subject to a bill and keep arrangement. Neither Party will assign a telephone number to an End User where such telephone number is assigned to an exchange in a different LATA than the End User is physically located. To the extent that ISP Bound Traffic is provisioned via an FX-type arrangement, such traffic is subject to a Bill and Keep arrangement.  7.3 The Parties recognize and agree that ISP and Internet traffic (excluding ISP Bound Traffic as defined in Section 3.3) could also be traded outside of the applicable local calling scope, or routed in ways that could make the rates and rate structure in Sections 5 and 6 above not apply, including but not limited to ISP calls that fit the underlying Agreement's definitions of: |   |                          |
|                 |                        |                   | <ul> <li>FX Traffic</li> <li>Optional EAS Traffic</li> <li>IntraLATA Interexchange Traffic</li> </ul>  |   |                          |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | • <u>Inter</u> LATA Interexchange Traffic  |   |                          |
|                 |                        |                   | •800, 888, 877, ("8YY") Traffic  |   |                          |
|                 |                        |                   | •Feature Group A Traffic   |   |                          |
|                 |                        |                   | •Feature Group D Traffic   |   |                          |
|                 |                        |                   | 7.5 The Parties agree that, for the purposes of this Appendix, either                                      |   |                          |
|                 |                        |                   | Parties' End Users remain free to place ISP calls under any of the above                                   |   |                          |
|                 |                        |                   | classifications. Notwithstanding anything to the contrary herein, to the                                   |   |                          |
|                 |                        |                   | extent such ISP calls are placed, the Parties agree that Sections 5 and 6                                  |   |                          |
|                 |                        |                   | above do not apply. The Agreement's rates, terms and conditions for , FX                                   |   |                          |
|                 |                        |                   | Traffic, Optional EAS Traffic, 8YY Traffic, Feature Group A Traffic,                                       |   |                          |
|                 |                        |                   | Feature Group D Traffic, IntraLATA Traffic and/or InterLATA Traffic, whichever is applicable, shall apply. |   |                          |
| 1               |                        |                   | SBC PROPOSAL   |   |                          |
|                 |                        |                   | SECTROFOSAL  |   |                          |
| 4,              | IC                     | Optional Calling  | Compensation for Optional Calling Area (OCA) Circuit Switched Traffic is                                   | Level 3's language                            | SBC believes IP-         |
| IC-3            | 8.1                    | Area Traffic      | for the termination of intercompany Circuit Switched traffic to and from the                               | clarifies the scope of a                      | Enabled traffic should   |
|                 |                        |                   | one-way or two-way optional exchanges(s) and the associated metropolitan                                   | local call and when the                       | be assessed access       |
|                 |                        |                   | area   | local rates apply.                            | charges.                 |
|                 |                        |                   | SBC PROPOSAL   |   |                          |
|                 |                        |                   |  |   |                          |

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|--------|---------------------|-------------------------------|---|---|---|
| IC-    | IC<br>8.2           | Optional Calling Area Traffic | The Parties agree to comply with Applicable Law with regard to Optional Calling Areas (OCAs)In the context of this Appendix, Optional Calling                   | Level 3's changes clarifies the scope of a    | SBC does not believe that certain traffic |
|        |                     |                               | Areas (OCAs) exist only in the states of Arkansas, Kansas and Texas, and are outlined in the applicable state Local Exchange tariffs. This rate is              | local call and when the local rates apply.    | should be defined as local traffic        |
|        |                     |                               | independent of any retail service arrangement established by either Party.  | rocar rates appry.                            | rocar traffic                             |
|        |                     |                               | <u>CLEC</u> Neither Level 3 nor <u>and SBC ARKANSAS</u> , SBC KANSAS and SBC TEXAS are not precluded from establishing <u>its</u> their own local calling areas |   |   |
|        |                     |                               | or prices for purposes of retail telephone service; however the terminating rates to be used for any such offering will still be administered as described      |   |   |
|        |                     |                               | in this Appendix.   |   |   |
|        |                     |                               | SBC PROPOSAL  |   |   |
|        |                     |                               |   |   |   |

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|--------|-----------|------------------------|----------------------------------|---|---|--------------------------|
| IC     | 4,<br>C-3 | IC<br>8.3              | Optional Calling<br>Area Traffic | 8.3 When CLEC uses unbundled local switching to provide services associated with a telephone number with a NXX which has an expanded 2-way area calling scope (EAS) in a SBC ARKANSAS, SBC KANSAS or SBC TEXAS end office, CLEC will pay the charge contained in Appendix Pricing UNE – Schedule of Prices labeled "EAS Additive per MOU". The additives to be paid by CLEC to SBC ARKANSAS, SBC KANSAS or SBC TEXAS are \$0.024 per MOU for toll free calls made by a SBC ARKANSAS, SBC KANSAS or SBC TEXAS customer from a metro exchange to an exchange contiguous to a metro exchange and \$0.0355 per MOU for toll free calls made by a SBC ARKANSAS, SBC KANSAS or SBC TEXAS customer to CLEC's optional 2-way EAS customer for contiguous exchanges other than those contiguous to a metro exchange within the scope of the 2-way calling area. These additives will apply in addition to cost-based transport and termination rates for Optional EAS service set forth in the rates spreadsheet. These additives are reciprocal in nature, and CLEC is entitled to receive compensation from SBC ARKANSAS, SBC KANSAS or SBC TEXAS if CLEC agrees to waive charges for its customers who call SBC ARKANSAS, SBC KANSAS or SBC TEXAS optional two-way EAS customers. | Level 3's changes clarifies the scope of a local call and when the local rates apply. |                          |
|        |           |                        |                                  | SBC PROPOSAL  |   |                          |

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|--------|-----------|-------------------------------|---|--|--|
| IC-    | 4, IC 8.4 | Optional Calling Area Traffic | 8.4 To the extent that they are relevant and comply with Applicable Law, the state specific OCA Transport and Termination rates are outlined in Appendix Pricing.   | Level 3's changes clarifies the scope of a local call and when the local rates apply.                    | Unknown.   |
| IC-    | 4 IC 9.1  | MCA Traffic                   | For compensation purposes in the state of Missouri, Circuit Switched Section 251(b)(5) Traffic and ISP Bound Traffic shall be further defined as "Metropolitan Calling Area (MCA) Traffic" and "Non-MCA Traffic." MCA Traffic is traffic originated by a party providing a local calling scope plan pursuant to the Missouri Public Service Commission Orders in Case No. | Level 3 will not agree to bind itself by operation of Section 252(a) to SBC's interpretation of the law. | SBC does not believe that certain traffic should be defined as local traffic |
|        |           |                               | TO-92-306 and Case No. TO-99-483 (MCA Orders) and the call is a Section 251(b)(5) Traffic based on the calling scope of the originating party pursuant to the MCA Orders. Non-MCA Traffic is all Section 251(b)(5) Traffic and ISP-Bound Traffic that is not defined as MCA Traffic  SBC PROPOSAL   |  |  |

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| NUMBER | ISSUE | Appendix or Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                                       |
|--------|-------|---------------------|-------------------|--|--|--|
|        | C-4   | IC<br>9.1.1         | MCA Traffic       | Either party providing Metropolitan Calling Area (MCA) service for Circuit Switched Traffic shall offer the full calling scope prescribed in Case No. TO-92-306 according to the terms of the MCA Orders or as otherwise ordered by the Missouri Public Service Commission. without regard to the identity of the called party's local service provider. The parties may offer additional toll-free outbound calling or other services in conjunction with MCA service, but in any such offering the party shall not identify any calling scope other than that prescribed in Case No. TO-92-306 as "MCA" service subject to Applicable Law. | Level 3 will not agree to bind itself by operation of Section 252(a) to SBC's interpretation of the law. | Unkown.  |
|        |       |                     |                   | SBC PROPOSAL   |  |  |
| I I    | C-4   | IC<br>9.1.2         | MCA Traffic       | Pursuant to the Missouri Public Service Commission Order in Case No. TO-99-483, <u>Circuit Switched MCA</u> Traffic shall be exchanged on a bill-and-keep intercompany compensation basis meaning that the party originating a call defined as MCA Traffic shall not compensate the terminating party for terminating the call <u>subject to Applicable Law.</u>   | Level 3 will not agree to bind itself by operation of Section 252(a) to SBC's interpretation of the law. | The language is necessary to recognize Missouri PSC decisions. |
|        |       |                     |                   | SBC PROPOSAL   |  |  |

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|-----------------|------------------------|------------------------------|--|--|--------------------------|
| IC-4            | IC 9.2                 | MCA Traffic                  | Only to the extent required by the Missouri Public Service Commission Order in Case No. TO-99-483, The parties agree to use the Local Exchange Routing Guide (LERG) to provision the appropriate MCA NXXs in their networks. The LERG should be updated at least forty-five (45) days in advance of opening a new code to allow the other party the ability to make the necessary network modifications. If the Commission orders the parties to use an alternative other than the LERG, the parties will comply with the Commission's final order.  SBC PROPOSAL  | Level 3 will not agree to bind itself by operation of Section 252(a) to SBC's interpretation of the law. | Same as above.           |
| 2, 4            | 10.1                   | Toll Carrier<br>Arrangements | In those SBC-13STATEs where Primary Toll Carrier (PTC) arrangements are mandated, for intraLATA Toll Traffic which is subject to a PTC arrangement and where SBC-13STATE is the PTC, SBC-13STATE shall deliver such intraLATA Toll Traffic to the terminating carrier in accordance with the terms and conditions of such PTC arrangement and Applicable Law, but this in no way shall restrict either Party from exchanging such traffic over the Parties' existing Local Interconnection Trunk Groups. Upon receipt of verifiable Primary Toll records, SBC-13STATE the originating carrier shall reimburse the terminating carrier at the terminating carriers' applicable tariffed terminating switched access rates for Circuit Switched Traffic. When transport mileage cannot be determined, an average transit transport mileage shall be applied as set forth in Appendix | Clarifies the scope of a local call and when local rates apply.  | Unknown.                 |

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|-----------------|------------------------|------------------------|-------------------|---|---|--|
|                 |                        |                        |                   | <u>SBC PROPOSAL</u>   |   |  |
| IC-5            | IC<br>11.1             | IntraLATA 8 Traffic    | 800               | The Parties shall provide to each other intraLATA 800 Access Detail Usage or equivalent Data for Customer billing and intraLATA 800 Copy Detail Usage or equivalent Data for access billing in Exchange Message Interface (EMI) format or other mutually agreeable format. On a monthly basis tThe Parties agree to provide this data to each other on a monthly basis at no charge. In the event of errors, omissions, or inaccuracies in data received from either Party, the liability of the Party providing such data shall be limited to the provision of corrected data only. If the originating Party does not send an End User billable record to the terminating Party, the originating Party will not bill the terminating Party any interconnection charges for this traffic. | Level 3 perspective is that where SBC's end user calls an 800 number that Level 3 terminates to an end user within the same local calling area, then local rates apply. | Unknown.   |
|                 |                        |                        |                   | SBC PROPOSAL  |   |  |
| IC-5            | IC<br>11.2             | IntraLATA 8<br>Traffic | 800               | Non-local IntraLATA 800 Traffic calls are billed to and paid for by the called or terminating Party, regardless of which Party performs the 800 query. Billing shall be based on originating and terminating NPA/NXX. 8YY Traffic bearing translated NPA-NXX codes that are local to NPA-NXX codes at the point where the traffic is handed off will be rated and compensated as Local Traffic.   | Clarifies the scope of a local call and when local rates apply.   | SBC does not believe that certain traffic should be defined as local traffic |
|                 |                        |                        |                   | SBC PROPOSAL  |   |  |

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|-----------------|------------------------|---|--|--|--|
| 7,<br>REC-<br>2 | IC<br>12.1             | Meet Point Billing (MPB) And Switched Access Traffic Compensation | Intercarrier compensation for Switched Access Circuit Switched Traffic shall may be on a Meet Point Billing ("MPB") basis as described below. To the extent Level 3 is unable to provide records formatted according to Ordering and Billing Forum's MECOD and MECAB guidelines, the Parties agree to explore additional options for recording, assembling and editing of message detail records necessary to accurate billing of traffic. | Level 3 should not be forced to develop an entirely new recording methodology just for SBC. The parties should be able to negotiate other methodologies as need or technology dictate. | SBC needs to have records exchanged in its own format. |
| 7,<br>REC-<br>2 | IC<br>12.2             | Meet Point Billing (MPB) And Switched Access Traffic Compensation | The Parties will may establish MPB arrangements in order to provide Switched Access Services for Circuit Switched Traffic via the respective carrier's Tandem Office Switch or switch providing tandem switching capability in accordance with the MPB guidelines contained in the Ordering and Billing Forum's MECOD and MECAB guidelinesdocuments, as amended from time to time.   | Level 3 should not be forced to develop an entirely new recording methodology just for SBC. The parties should be able to negotiate other methodologies as need or technology dictate. | Same as above.   |
|                 |                        |   | SBC PROPOSAL   |  |  |

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|-----------------|------------------------|---|---|---|--------------------------|
| 7               | IC<br>12.3             | Meet Point Billing (MPB) And Switched Access Traffic Compensation | Billing for the Switched Exchange Access Services for Circuit Switched Traffic jointly provided by the Parties via MPB arrangements may shall—be according to the multiple bill/single tariff methodAs described in the MECAB document_guideline, each Party will render a bill in accordance with its own tariff for that portion of the service it provides. Each Party will bill its own network access service rates to the extent permitted by Applicable Law. The residual interconnection charge (RIC), if any, will be billed by the Party providing the end office function to the extent permitted by Applicable Law. | Clarify that billing for<br>network access rates<br>should be consistent with<br>Court and agency orders. | Unknown.                 |
| 7               | IC<br>12.4             | Meet Point Billing (MPB) And Switched Access Traffic Compensation | The Parties will-may maintain provisions in their respective federal and state access tariffs, or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor tariff, sufficient to reflect this MPB arrangement, including MPB percentages to the extent permitted by Applicable Law.  SBC PROPOSAL  | Clarify that billing for network access rates should be consistent with Court and agency orders.          | Unknown.                 |

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|-----------------|------------------------|---|---|--|--|
| 7,<br>REC-<br>2 | IC<br>12.5             | Meet Point Billing (MPB) And Switched Access Traffic Compensation | -As detailed in the MECAB document, the Parties will exchange all information necessary to accurately, reliably and promptly bill third parties for Switched Access Services for Circuit Switched Traffic traffic jointly handled by the Parties via the Meet Point Billing arrangement. Information shall be exchanged in a mutually acceptable electronic file transfer protocol. Where the EMI records cannot be transferred due to a transmission failure, records can be provided via a mutually acceptable medium. The exchange of Access Usage Records ("AURs") to accommodate MPB will be on a reciprocal, no charge basis. Each Party agrees to provide the other Party with AURs based upon mutually agreed upon intervals.  SBC PROPOSAL | SBC seeks to include VoIP traffic within the scope of Switched Access Services in order to impose access charges on that traffic. Level 3's changes clarify that parties will bill third parties for access charges only for circuit switched traffic, not VoIP. | SBC does not believe that certain traffic should be defined as local traffic |
| 4, 7            | IC<br>12.6             | Meet Point Billing (MPB) And Switched Access Traffic Compensation | MPB shall also apply to all jointly provided Switched Access MOU for Circuit Switched Traffic traffic bearing the 900, or toll free NPAs (e.g., 800, 877, 866, 888 NPAs, or any other non-geographic NPAs to the extent that those calls bear translated NPA-NXX codes that are local to NPA-NXX codes at the point where the traffic is handed off will be rated as Local Traffic.). The Party that performs the SSP function (launches the query to the 800 database) will bill the 800 Service Provider for this function  | Level 3's changes make clear that non-geographic NPAs will be treated as local if the NPA-NXX codes are local to the NPA-NXX codes at the point where traffic is handed off. SBC would treat this traffic as non-local.  | Same as above.   |

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|-----------------|------------------------|---|--|--|---|
|                 |                        |   | SBC PROPOSAL   |  |   |
| 7,<br>REC-<br>2 | IC<br>12.9             | Meet Point Billing (MPB) And Switched Access Traffic Compensation                                   | In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data within <u>ninety sixty (90</u> 60) days of notification and if such reconstruction is not possible, shall accept a reasonable estimate of the lost data, based upon no more than three (3) to twelve (12) consecutive months of prior usage data.  | Permits an additional 30 days to scrub and consolidate data.   | Unknown.  |
|                 |                        |   | SBC PROPOSAL   |  |   |
| 2, 7            | IC<br>13.1             | Compensation For Origination And Termination Of Interlata Traffic Not Subject To Meet Point Billing | 13.1 Where a CLEC originates or terminates its own end user InterLATA Traffic not subject to Meet Point Billing, the CLEC must purchase FG D access service from SBC-13STATE's state or federal access tariffs, whichever is applicable, to carry such InterLATA Traffic.  | Level 3 is not required to establish intereconnection points for different types of traffic.                       | SBC is required under<br>Section 251 to only<br>exchange local traffic,<br>not interLATA traffic. |
|                 |                        |   | SBC PROPOSAL   |  |   |
| 7,<br>REC-<br>2 | IC 14.1                | Intralata Toll Traffic Compensation   | For <u>Circuit-Switched Traffic</u> that is correctly rated as intrastate intraLATA toll traffic, compensation for termination of intercompany traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including the Carrier Common Line (CCL) charge where applicable, as set forth in each Party's Intrastate Access | VoIP traffic has never<br>been assessed access<br>charges. SBC's<br>proposed language is<br>geared towards lumping | IP-enabled traffic should be exchanged as access traffic_   |

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|--------|------------------------|-------------------|--|--|--------------------------|
|        |                        |                   | Service Tariff,. but such compensation shall not exceed the compensation contained in an SBC-13STATE's tariff in whose exchange area the End User is located For interstate intraLATA intercompany service traffic, compensation for termination of intercompany traffic will be at terminating access rates for MTS and originating access rates for 800 Service including the CCL charge, as set forth in each Party's interstate Access Service Tariff, but such compensation shall not exceed the compensation contained in the SBC-13STATE's tariff in whose exchange area the End User is located. Common transport, (both fixed and variable), as well as tandem switching and end office rates apply only in those cases where a Party's tandem or switch providing equivalent geographic coverage is used to terminate traffic. | VoIP services into a switched-based access service, and, as such, imposing access charges. |                          |
|        |                        |                   | SBC PROPOSAL   |  |                          |

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|-----------------|---------------------|---|--|--|--------------------------|
| 7,<br>REC-<br>2 | IC<br>15.1          | Billing Arrangements For Termination Of Section 251(B)(5), Circuit Switched Optional Eas, Isp-Bound And Circuit Switched Intralata Toll Traffic | Switched Traffic251(b)(5) Traffie, Circuit Switched Optional EAS Traffic, ISP-Bound Traffic and Circuit Switched IntraLATA Toll Traffic. These recordings are the basis for each Party to generate bills to the other Party. | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3's language clarifies the types of traffic that are subject to local rates. | Same as above.           |
|                 |                     |   | SBC PROPOSAL   |  |                          |

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|-----------------|------------------------|--|--|--|--------------------------|
| 7               | IC<br>15.2             | Billing Arrangements For Termination Of Section 251(B)(5), Circuit Switched Traffic, Optional Eas, Isp-Bound And Circuit Switched Intralata Toll Traffic | 15.2 The Parties agree that they will exchange ISP-bound traffic at rates set by the FCC and will update these rates immediately upon the effective date of any subsequent FCC order. In states in which SBC-13STATE has offered to exchange Section 251(b)(5) Traffic and ISP-Bound traffic pursuant to the FCC's interim ISP terminating compensation plan set forth in the FCC ISP Compensation Order, ISP-Bound Traffic will be calculated using the 3:1 Presumption as set forth in Section 6.6 of this Appendix. | Level 3's language accounts for the upcoming order of the FCC on remand of its reciprocal compensation orders. | Same as above.           |
|                 |                        |  | <u>SBC PROPOSAL</u>  |  |                          |

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|-----------------|---------------------|---|--|---|---|
| 7,<br>REC-<br>3 | IC<br>15.4          | Billing Arrangements For Termination Of Section 251(B)(5), Circuit Switched Traffic, Circuit Switched Optional Eas, Isp-Bound And Circuit Switched Intralata Toll Traffic | In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data within <u>ninety sixty (6090)</u> days of notification and if such reconstruction is not possible, shall accept a reasonable estimate of the lost data, based upon no more than three (3) to twelve (12) consecutive months of prior usage data. | Permits an additional 30 days to allow for more time to scrub and consolidate the data.                           | Unknown.  |
|                 |                     |   | SBC PROPOSAL   |   |   |
| 6, 7            | IC<br>16.1          | Circuit Switched<br>Traffic   | 16. CIRCUIT SWITCHED TRAFFIC  16.1 Circuit Switched Traffic.   | VoIP traffic has never<br>been assessed access<br>charges. SBC's<br>proposed language is                          | IP-enabled traffic should be exchanged as access traffic. |
|                 |                     |   | 16.1.1 For purposes of this Agreement only, Circuit-Switched Traffic is defined as any traffic—that terminates over a Party's circuit switch, including traffic from a service that originates over a circuit switch and uses Internet Protocol (IP) transport technology (regardless of   | geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. |   |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | whether only one provider uses IP transport or multiple providers are involved in providing IP transport). Notwithstanding anything to |   |                          |
|                 |                        |                   | the contrary in this Agreement, excluding traffic from exchanges   |   |                          |
|                 |                        |                   | sharing a common mandatory local calling area as defined in SBC  |   |                          |
|                 |                        |                   | California's local exchange tariffs on file with the applicable state  |   |                          |
|                 |                        |                   | commission, all other Circuit-Switched Traffic, as defined above,  |   |                          |
|                 |                        |                   | that originates from an end user physically located in one local exchange and delivered for termination to an end user physically      |   |                          |
|                 |                        |                   | located in a different local exchange ("Interexchange Circuit  |   |                          |
|                 |                        |                   | Switched Traffic") shall be delivered to the terminating Party over  |   |                          |
|                 |                        |                   | feature group access trunks per the terminating Party's access   |   |                          |
|                 |                        |                   | tariff(s) and shall be subject to applicable intrastate and interstate   |   |                          |
|                 |                        |                   | switched access charges; provided, however, the following categories of Interexchange Circuit-Switched Traffic are not subject         |   |                          |
|                 |                        |                   | to the above stated requirement relating to routing over feature   |   |                          |
|                 |                        |                   | group access trunks:   |   |                          |
|                 |                        |                   | (i) IntraLATA toll Traffic or Optional EAS Traffic from a CLEC end   |   |                          |
|                 |                        |                   | user that obtains local dial tone from CLEC where CLEC is both the   |   |                          |
|                 |                        |                   | Section 251(b)(5) Traffic provider and the intraLATA toll provider,  |   |                          |
|                 |                        |                   | (ii) IntraLATA toll Traffic or Optional EAS Traffic from an SBC  |   |                          |
|                 |                        |                   | California end user that obtains local dial tone from SBC California   |   |                          |
|                 |                        |                   | where SBC California is both the Section 251(b)(5) Traffic provider  |   |                          |

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|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | <ul> <li>(iii) Interexchange Circuit Switched Traffic delivered to SBC California from an Interexchange Carrier (IXC) where the terminating number is ported to another CLEC and the IXC fails to perform the Local Number Portability (LNP) query; and/or</li> <li>(iv) Interexchange Circuit Switched Traffic delivered to either Party from a third party competitive local exchange carrier over Local Interconnection Trunk Groups.</li> <li>16.1.2 Notwithstanding anything to the contrary in this Agreement, each Party reserves it rights, remedies, and arguments relating to the application of switched access charges for traffic exchanged by the Parties prior to the Effective Date of this Agreement and described in the FCC's Order issued in the Petition for Declaratory Ruling that AT&amp;T's Phone to Phone IP Telephony Services Exempt from Access Charges, WC Docket No. 01-361(Released April 21, 2004).</li> </ul> |   |                          |
|                 |                        |                   | 16.1.3 In the limited circumstances in which a third party competitive local exchange carrier delivers Interexchange Circuit-Switched Traffic as described in Section 1.1 (iv) above to either Party over Local   |   |                          |

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|---|---|---|--------------------------|
|   | Interconnection Trunk Groups, such Party may deliver such Interexchange Circuit Switched Traffic to the terminating Party over Local Interconnection Trunk Groups. If it is determined that such traffic has been delivered over Local Interconnection Trunk Groups, the terminating Party may object to the delivery of such traffic by providing written notice to the delivering Party pursuant to the notice provisions set forth in the General Terms and Conditions and request removal of such traffic. The Parties will work cooperatively to identify the traffic with the goal of removing such traffic from the Local Interconnection Trunk Groups. If the delivering Party has not removed or is unable to remove such Interexchange Circuit-Switched Traffic as described in Section 1.1(iv) above from the Local Interconnection Trunk Groups within sixty (60) days of receipt of notice from the other party, the Parties agree to jointly file a complaint or any other appropriate action with the applicable Commission to seek any necessary permission to remove the traffic from such interconnection trunks up to and including the right to block such traffic and to obtain compensation, if appropriate, from the third party competitive local exchange carrier delivering such traffic to the extent it is not blocked. |   |                          |

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|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | Traffic unless the Party delivering the traffic affirmatively demonstrates to the terminating Party by providing auditable records including, but not limited to, call detail records, that provide sufficient information that the traffic qualifies as "IP Traffic" (as defined below). Once the delivering Party affirmatively demonstrates traffic is "IP Traffic," the delivering Party shall deliver such traffic over separate and distinct Feature Group D access trunks and facilities per the other Party's tariffs until such time as an Internet Protocol access product may be purchased from the other Party's tariffs. Either Party may audit at any time the delivery of such traffic by the other Party over Feature Group D access trunks or the Internet Protocol access product (when available), whichever is applicable, to determine if it qualifies as IP Traffic (as defined below) in accordance with the audit provisions in Section 32 of the General Terms and Conditions of this Agreement. |   |                          |
|                 |                        |                   | SBC PROPOSAL  |   |                          |
| <u>6,</u> 7     | IC 17.1                | IP Traffic        | 17.1 IP Traffic. For purposes of this Agreement only, "IP Traffic" is limited to traffic originated on customer premises equipment of the end user of CLEC or SBC that originated and/or dialed a call in the IP format and transmitted to the switch of a provider of voice  | VoIP traffic has never<br>been assessed access<br>charges. SBC's<br>proposed language is<br>geared towards lumping<br>VoIP services into a<br>switched-based access | Same as above.           |

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|---|-------------------|--|---|--------------------------|
|   |                   | communication applications or services when such switch utilizes IP technology. The Parties have been unable to agree as to whether and under what circumstances IP Traffic should be subject to switched access charges when terminating to an end user served by a Party's circuit switch. Without waiving any rights with respect to either Party's position, the Party delivering IP Traffic for termination to the other Party's end user customer shall pay into an interest bearing escrow account with a Third Party escrow agent mutually agreed upon by the Parties an amount equal to the intrastate and interstate switched access charges that apply to such IP Traffic based on its jurisdictional nature as determined by CPN, subject to adjustments if the CPN does not accurately reflect the physical location of the end user originating the traffic. To be acceptable, the escrow agent and escrow account must meet all of the criteria established in Section 8.5 of the General Terms and Conditions of this Agreement except disbursements from the escrow account will be limited to those authorized in writing by the disputing Party or upon receipt of any effective and applicable FCC rules or order regarding compensation for IP Traffic.  17.1 The Parties agree that all traffic is presumed to be Circuit Switched Traffic unless the Party delivering the traffic affirmatively demonstrates to the terminating Party by providing auditable records including, but not limited to, call detail records, that provide | service, and, as such, imposing access charges. |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------------|------------------------|--|---|---|--------------------------|
|                 |                        |  | sufficient information that the traffic qualifies as "IP Traffic" (as defined below). Once the delivering Party affirmatively demonstrates traffic is "IP Traffic," the delivering Party shall deliver such traffic over separate and distinct Feature Group D access trunks and facilities per the other Party's tariffs until such time as an Internet Protocol access product may be purchased from the other Party's tariffs. Either Party may audit at any time the delivery of such traffic by the other Party over Feature Group D access trunks or the Internet Protocol access product (when available), whichever is applicable, to determine if it qualifies as IP Traffic (as defined below) in accordance with the audit provisions in the General Terms and Conditions of this Agreement. |   |                          |
| IC-6            | IC<br>18.1             | Reservation Of Rights And Specific Intervening Law Terms | 18.1 MUTUAL RESERVATION OF RIGHTS  18.1.1 The Parties have been unable to agree as to whether Voice-embedded IP Communication which rides on facilities which cross LATA boundaries constitutes Switched Access Traffic as defined herein. Notwithstanding the foregoing, and without waiving any rights with respect to either Party's position as to the jurisdictional treatment of Voice-embedded IP Communications, the Parties agree  | VoIP traffic has never<br>been assessed access<br>charges. SBC's<br>proposed language is<br>geared towards lumping<br>VoIP services into a<br>switched-based access<br>service, and, as such, | Same as above.           |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | regarding the nature of such communications and the compensation payable by the Parties for such communications, if any. Voice-embedded IP Communications is defined as communications that   |   |                          |
|                 |                        |                   | either:  18.1.1.1originates on the PSTN within the same LATA of the   |   |                          |
|                 |                        |                   | Interconnection Point, and is passed to an end-user from an internet protocol network provider in internet protocol format, or is terminated over the PSTN in circuit-switched format after having been transmitted from an end-user to an internet protocol provider in              |   |                          |
|                 |                        |                   | internet protocol format and exchanged between Level 3 and SBC-<br>13STATE at the Interconnection Point within the same LATA as the<br>called party, or   |   |                          |
|                 |                        |                   | 18.1.1.2that originates and terminates to end users within the same exchange or a corresponding Extended Area Service exchange will be  |   |                          |
|                 |                        |                   | reciprocally compensated in the same manner as Local Traffic in this Agreement.  18.1.2 The Portion recognize that the question of intercognize compensation  |   |                          |
|                 |                        |                   | 18.1.2 The Parties recognize that the question of intercarrier compensation for the exchange of IP-enabled Services Traffic has been a contested matter and proceedings currently underway at the FCC and at State Commissions could help to resolve the uncertainty relating to such |   |                          |
|                 |                        |                   | traffic exchange. However, the Parties agree, as a compromise and   |   |                          |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|--|--|--|--------------------------|
|                 |                        |  | without reference to any change in law that may occur (but subject to the Parties' Reservation of Rights above), that IP-enabled Services Traffic shall be exchanged subject to the following rates, terms, and conditions during the term of this Agreement. Notwithstanding any other provisions of this Agreement, if either Party provides the other Party a Percent IP Usage ("PIPU") factor, traffic shall be rated for intercarrier compensation purposes under the terms of this Section.  |  |                          |
| IC-6            | IC<br>18.3             | Reservation Of Rights And Specific Intervening Law Terms | 18.1.1 The Parties acknowledge that on April 27, 2001, the FCC released its Order on Remand and Report and Order in CC Dockets No. 96-98 and 99-68, In the Matter of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic (the "ISP Compensation Order"), which was remanded in WorldCom, Inc. v. FCC, No. 01-1218 (D.C. Cir. 2002). The Parties agree that by executing this Appendix and carrying out the intercarrier compensation terms and conditions herein, neither Party waives any of its rights, and expressly reserves all of its rights, under the ISP Compensation Order or any other regulatory, legislative or judicial action, including, but not limited to, the right to elect to invoke (to the extent the ILEC has not already elected to offer to exchange traffic pursuant to the terms and conditions of the | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3's language clarifies the types of traffic that are subject to local rates. | Same as above.           |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | FCC's interim ISP terminating compensation plan as of the Effective Date of this Agreement) on a date specified by SBC-13STATE the |   |                          |
|                 |                        |                   | FCC's interim ISP terminating compensation plan, after which date  |   |                          |
|                 |                        |                   | ISP-Bound traffic exchanged between the Parties will be subject to   |   |                          |
|                 |                        |                   | Sections 6.0 through 6.6 above.  |   |                          |
|                 |                        |                   | 18.1.2 To the extent SBC-13STATE has not already provided notice of its  |   |                          |
|                 |                        |                   | offer to exchange Section 251(b)(5) Traffic and ISP-Bound Traffic  |   |                          |
|                 |                        |                   | pursuant to the terms and conditions of the FCC's interim  |   |                          |
|                 |                        |                   | terminating compensation plan in a particular state as of the  |   |                          |
|                 |                        |                   | Effective Date of this Agreement, SBC-13STATE agrees to provide 20 days advance written notice to the person designated to receive |   |                          |
|                 |                        |                   | official contract notices in the Interconnection Agreement of the date   |   |                          |
|                 |                        |                   | upon which the SBC-13STATE designates that the FCC's ISP   |   |                          |
|                 |                        |                   | terminating compensation plan shall begin in such state.   |   |                          |
|                 |                        |                   | Notwithstanding anything contrary in this Agreement, CLEC agrees   |   |                          |
|                 |                        |                   | that on the date designated by SBC-13STATE in a particular state,  |   |                          |
|                 |                        |                   | the Parties will begin paying and billing Intercarrier Compensation  |   |                          |
|                 |                        |                   | for ISP-Bound Traffic to each other at the rates, terms and  |   |                          |
|                 |                        |                   | conditions specified in Sections 6.0 through 6.6 above.  |   |                          |
|                 |                        |                   | 18.1.3 18.3 SBC-13STATE and CLEC agree to carry out the FCC's  |   |                          |
|                 |                        |                   | interim ISP terminating compensation plan on the date designated by  |   |                          |
|                 |                        |                   | SBC-13STATE in a particular state without waiving, and expressly   |   |                          |

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Tier 1 = 1-8Tier 2 = 9-20

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| NUMBER | Appendix or<br>Section |   | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                                  |
|--------|------------------------|---|-------------------|--|--|---|
|        |                        |   |                   | reserving, all appellate rights to contest FCC, judicial, legislative, or other regulatory rulings regarding ISP-Bound traffic, including but not limited to, appeals of the FCC's ISP Compensation Order. By agreeing to this Appendix, both Parties reserve the right to advocate their respective positions before courts, state or federal commissions, or legislative bodies.   |  |   |
|        |                        |   |                   | SBC PROPOSAL   |  |   |
| IC-    | 6 IC<br>18.7           | Reservation<br>Rights<br>Specific<br>Intervening<br>Terms | Of<br>And<br>Law  | The Parties further acknowledge that the FCC has issued a Notice of Proposed Rulemaking on the topic of Intercarrier Compensation generally. See, In the Matter of Developing a Unified Intercarrier Compensation Regime, CC Docket 01-92; established in Notice of Proposed Rulemaking Order No. 01-132, April 27, 2001. In the event that a final, legally binding FCC Order is issued upon the conclusion of that NPRM proceeding and during the term of this Appendix, the Parties agree to conform the relevant affected provisions of this Agreement to the compensation procedures set forth in that Order immediately upon issuance of any such Order. | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3's language clarifies the types of traffic that are subject to local rates. | IP-enabled traffic should be exchanged as access traffic. |
|        |                        |   |                   | SBC PROPOSAL   |  |   |

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| ISSUE<br>NUMBER | Appendix or<br>Section |   | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                                  |
|-----------------|------------------------|---|-------------------|--|--|---|
| IC-6            | IC<br>18.8             | Reservation<br>Rights<br>Specific<br>Intervening<br>Terms | And               | For purposes of this Agreement, Voice over Internet Protocol ("VoIP") is defined as the technology and the techniques used to transmit voice ealls using Internet Protocol and such calls are converted to the circuit switched network for call termination. The parties agree that VOIP traffic shall:  (i) contains Signaling Data in accordance with Section 4.2;  (ii) be delivered via SBC Texas' Feature Group D service if the end user that originated and/or dialed the call is physically located outside of the local exchange and LATA of the physical location of the called party;  (iii) only be delivered via local interconnection trunks if the VOIP traffic qualifies as Section 251(b)(5) or ISP Bound Traffic; and  (iv) be subject to the same rates, terms and conditions relating to intercarrier compensation as voice traffic.  Neither party shall incorrectly assign or alter the Signaling Data of the end user that originated and/or dialed the VOIP call for any reason including, but not limited to, for purposes of avoiding appropriate | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3's language clarifies the types of traffic that are subject to local rates. | IP-enabled traffic should be exchanged as access traffic. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|------------------------------------|--|--|--------------------------|
|                 |                        |                                    | access charges. Each party shall ensure that any intermediary and/or third party carriers which carry such Party's VoIP traffic and each Party shall also ensure such intermediaries, third party carriers, and/or least cost routers do not strip, alter, modify, add, delete, change, or incorrectly assign Signaling Data.  |  |                          |
|                 |                        |                                    | SBC PROPOSAL   |  |                          |
| GT-4            | IC<br>19.1             | Additional Terms<br>And Conditions | Other rates, terms and conditions are addressed in General Terms and conditions Section 49.0 Legitimately Related Terms. Every interconnection, service and network element provided here shall be subject to all rates, terms and conditions contained in the underlying Interconnection Agreement which are legitimately related to such interconnection, service or network element. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder: definitions, interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; | This language offers consistency between the various pieces of this Agreement, and lowers the chance of confusion in the future. | Unknown.                 |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | indemnification; remedies; intellectual property; publicity and use of trademarks or service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; no third party beneficiaries; disclaimer of agency; relationship of the Parties/independent contractor; subcontracting; assignment; responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; signaling; transmission of traffic to third parties; customer inquiries; expenses; conflicts of interest; survival; scope of agreement; amendments and modifications; and entire agreement.  18.2 Other rates, terms and conditions are addressed in General Terms and conditions Section 49.0. Entire Agreement. This Reciprocal Compensation Appendix is intended to be read in conjunction with the underlying Interconnection Agreement between SBC-13STATE and CLEC, but that as to the Reciprocal Compensation terms and conditions, this Appendix constitutes the entire agreement between the Parties on these issues, and there are no other oral agreements or understandings between them on Reciprocal Compensation that are not incorporated into this Appendix. |   |                          |
|                 |                        |                   | SBC PROPOSAL  |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | Recordi<br>ng<br>1.1.1 |                   | SBC Communications Inc. (SBC) means the holding company which directly or indirectly owns the following ILECs: Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company d/b/a SBC Connecticut, Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT-3            | Recordi<br>ng<br>1.1.2 |                   | SBC-2STATE - As used herein, SBC-2STATE means SBC CALIFORNIA and SBC NEVADA, the applicable SBC-owned ILEC(s) doing business in California and Nevada.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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| ISSUE<br>NUMBER | Appendix or Section    | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | Recordi<br>ng<br>1.1.3 |                   | SBC-13STATE — As used herein, SBC-13STATE means SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5- STATE, SBC-2STATE and SBC CONNECTICUT the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | Recordi<br>ng<br>1.1.4 |                   | SBC CONNECTICUT - As used herein, SBC CONNECTICUT means The Southern New England Telephone Company, the applicable above listed ILEC doing business in Connecticut.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | Recordi<br>ng<br>1.1.5 |                   | SBC MIDWEST REGION 5-STATE - As used herein, SBC MIDWEST REGION 5-STATE means Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Ohio, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | Recordi<br>ng<br>1.1.6 |                   | SBC SOUTHWEST REGION 5-STATE - As used herein, SBC SOUTHWEST REGION 5-STATE means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | Recordi<br>ng<br>2.1   | Definitions       | "Access Usage Record" (AUR) – a message record which contains the usage measurement reflecting the service feature group, duration and time of day for a message and is subsequently used to bill access to Interexchange Carriers (IXCs).                       | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |
| GT-3            | Recordi<br>ng<br>2.2   | Definitions       | "Assembly and Editing" - the aggregation of recorded customer message details to create individual message records and the verification that all necessary information required ensuring all individual message records meet industry specifications is present. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | Recordi<br>ng<br>2.3   | Definitions       | "Billing Company" - the company that bills End Users for the charges incurred in originating and terminating IXC transported calls. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT-3            | Recordi<br>ng<br>2.4   | Definitions       | "Billable Message" a message record containing details of a completed IXC transported call which is used to bill an end user.       | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | Recordi<br>ng<br>2.5   | Definitions       | "Centralized Message Distribution System" (CMDS) — the national network of private line facilities used to exchange Exchange Message Interface (EMI) formatted billing data between SBC-13STATE and the Billing Company | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT-3            | Recordi<br>ng<br>2.6   | Definitions       | "Data Transmission" - the forwarding by SBC-13STATE of IXC transported toll message detail and/or access usage record detail in EMR format over data lines or on magnetic tapes to the appropriate Billing Company.     | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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| ISSUE | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-------|------------------------|-------------------|--|--|--|
| GT-3  | Recordi<br>ng<br>2.7   | Definitions       | "Exchange Message Interface" (EMI) - Industry standard message format as described in accordance with the Telcordia Practice BR010-200-010 developed for the interexchange of telecommunications message information.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3  | Recordi<br>ng<br>2.8   | Definitions       | "Interexchange Carrier" (IXC) - A third party transmission provider that carries long distance voice and non-voice traffic between user locations for a related recurring fee. IXCs provide service interstate and intrastate. In some states IXCs are permitted to operate within a LATA. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|       |                        |                   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | Recordi<br>ng<br>2.9   | Definitions       | "Interexchange Carrier Transported" - telecommunications services provided by an IXC or traffic transported by facilities belonging to an IXC. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |
| GT-3            | Recordi<br>ng<br>2.10  | Definitions       | "Local Access and Transport Area" (LATA) - service areas defined in FCC Docket 78-72.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3 Communications Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | Recordi<br>ng<br>2.11  | Definitions       | "Message Processing" - the creation of individual EMI formatted billable message detail records from individual recordings that reflect specific billing detail for use in billing the End User and/or access usage records from individual recordings that reflect the service feature group, duration and time of day for a message, Carrier Identification Code, among other fields, for use in billing access to the Interexchange Carriers. Message Processing includes performing CMDS online edits required to ensure message detail and access usage records are consistent with CMDS specifications. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT-3            | Recordi<br>ng<br>2.12  | Definitions       | "Originating Local Exchange Carrier Company" - the company whose local exchange telephone network is used to originate calls thereby providing originating exchange access to IXCs.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | Recordi<br>ng<br>2.13  | Definitions       | "Provision of Message Detail" – the sorting of all billable message detail and access usage record detail by Revenue Accounting Office, Operating Company Number or Service Bureau, splitting of data into packs for invoicing, and loading of data into files for data transmission to CLEC for those records created internally or received from other Local Exchange Carrier Companies or Interexchange Carriers through SBC-13STATE's internal network or national CMDS.  SBC PROPOSAL | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | Recordi<br>ng<br>2.14  | Definitions       | "Record" - a logical grouping of information as described in the programs that process information and create the data files.  SBC PROPOSAL  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |

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Tier 1 = 1-8Tier 2 = 9-20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | Recordi<br>ng<br>2.15  | Definitions       | "Recording" - the creation and storage on magnetic tape or other medium of the basic billing details of a message in Automatic Message Accounting (AMA) format converted to EMI layout. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| OTE 2           | D 1'                   | D.C. V.           | SBC PROPOSAL  |  |  |
| GT-3            | Recordi<br>ng<br>2.16  | Definitions       | "Service Switching Point" (SSP) – a signaling point that can launch queries to databases and receive/interpret responses used to provide specific customer services.                    | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            |                        |                   |   | SBC PROPOSAL   |  |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | Recordi<br>ng<br>2.18  | Definitions       | "Switching Control Point" (SCP)—the real time database system that contains routing instructions for 800 calls. In addition to basic routing instructions, the SCP may also provide vertical feature translations, i.e., time of day, day of week routing, out of area screening and/or translation of the dialed 800 number to its assigned working telephone number. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            |                        |                   |  | SBC PROPOSAL   |  |
| GT-3            | Recordi<br>ng<br>20    | Definitions       | "Terminating Local Exchange Carrier Company" - the company whose local exchange telephone network is used to terminate calls thereby providing terminating exchange access to IXCs.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL   |  |  |

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| NUMBER | or                    | Issue Description               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|--------|-----------------------|---------------------------------|--|--|--------------------------|
| REC    | Recordi<br>ng<br>3.13 | Responsibilities of the Parties | When CLEC is the Recording Company, the CLEC agrees to provide its recorded billable messages detail and access usage record detail data to SBC-13SATE under the same terms and conditions of this Appendix. | Level 3's position is that there is no need to have MECAB/MECOD as the exclusive billing / recording language. Level 3 proposes that in light of anticipated reforms to the access charge system, that the parties include language that permits them to discuss mutually agreeable ways of exchanging the same data, but in formats or by means that might make more sense once these reforms take effect | Unknown.                 |
|        |                       |                                 | SBC PROPOSAL   |  |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description     | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-----------------------|---|--|--------------------------|
| REC-2           | Recordi<br>ng<br>4.1   | Basis of Compensation | SBC-13STATE as the Recording Company, agrees to provide recording, assembly and editing, message processing and provision of message detail for Access Usage Records (AURs) ordered/required by the CLEC in accordance with this Appendix on a reciprocal, no-charge basis. CLEC, as the Recording Company, agrees to provide to the extent that CLEC has deployed systems supporting AUR any and all—those Access Usage Records (AURs)-required by SBC-13STATE on a reciprocal, no-charge basis. To the extent CLEC is unable to provide AURs the Parties agree to explore additional options for recording, assembling and editing of message detail records necessary to accurate billing of traffic. The Parties agree that this to reciprocally exchange mutual exchange of records at no charge to either Party shall otherwise be conducted and according to the guidelines and specifications contained in the Multiple Exchange Carrier Access Billing (MECAB) document. | Level 3 can provide this information it is just a formatting issue; we want to be able to discuss whether and how we can discuss how we can share the information and have the option of sharing the information in a different format. SBC only bills in EMI category 11 records. | Unknown.                 |
|                 |                        |                       | SBC PROPOSAL  |  |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support                               | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
| REC-3           | Recordi<br>ng<br>5.2   | Liability         | When either Party is notified that, due to error or omission, incomplete data has been provided to the non-Recording Company, each Party will make reasonable efforts to locate and/or recover the data and provide it to the non-Recording Company at no additional charge. Such requests to recover the data must be made within <a href="sixty">sixty</a> (60)ninety (90) calendar days from the date the Recording company provides the message detail for access usage record to the non-Recording Company. If the non-Recording Company fails to provide written notification post-marked, faxed or dated by commercial courier within <a href="ninety">ninety</a> (90) <a href="sixty">sixty</a> (60) <a href="calendar">calendar</a> days from the date the Recording company provides the message detail for access usage record to the non-Recording Company, the Recording Company shall have no further obligation to recover the data and shall have no further liability to the non-Recording Company for the compensation arising from the message detail for access usage records. | Level 3 proposes modestly longer timeframe to permit recovery of lost data. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |   |                          |
| REC-4           | Recordi<br>ng<br>5.4   | Liability         | Each Party_will not be liable for any costs incurred by the other Party when transmitting data files via data lines and a transmission failure results in the non-receipt of data. Notwithstanding the foregoing, the Parties agree to use best efforts to ensure the timely and accurate delivery or exchange of billing data between each Party.   | Imposes best efforts to facilitate accurate billing data.                   | Unknown.                 |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                                  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|--|---|--|--|
| REC-<br>5       | Recordi<br>ng<br>5.6   | Liability  | Each Party also agrees to release, defend, indemnify and hold harmless the other Party from any claim, demand or suit that asserts any infringement or invasion of privacy or confidentiality of any person(s), caused or claimed to be caused, directly or indirectly, by the Party's employees and equipment associated with provision of this service to the extent such claim does not arise from willful misconduct or gross negligence. This includes, but is not limited to suits arising from disclosure of any customer specific information associated with either the originating or terminating numbers used to provision this service. | Level 3 does not believe<br>there is a need to<br>indemnify against willful<br>misconduct or gross<br>negligence.  |  |
| GT-<br>3        | Recordi<br>ng<br>6.1   | Applicability of Other rates, terms and conditions | The Parties agree that other rates, terms and conditions shall apply according to Section 49.0 of General Terms and Conditions.   | Consistency and ease of interpretation require that the numerous similar sections as this be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | OET<br>1.3             | Definitions       | SBC-2STATE — As used herein, SBC-2STATE means SBC CALIFORNIA and SBC NEVADA, the applicable SBC-owned ILEC(s) doing business in California and Nevada.  SBC PROPOSAL   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | OET<br>1.4             | Definitions       | SBC-12STATE - As used herein, SBC-12STATE means SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5-STATE and SBC-2STATE the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                             |
|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | OET<br>1.5             | Definitions       | SBC CALIFORNIA — As used herein, SBC CALIFORNIA means Pacific Bell Telephone Company d/b/a SBC California, the applicable SBC owned ILEC doing business in California.  | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |
| GT-3            | OET<br>1.6             | Definitions       | SBC MIDWEST REGION 5-STATE — As used herein, SBC MIDWEST REGION 5-STATE means Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Ohio, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio and Wisconsin. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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|-----------------|------------------------|-------------------|---|--|--|
| GT-3            | OET<br>1.7             | Definitions       | SBC NEVADA - As used herein, SBC NEVADA means Nevada Bell Telephone Company d/b/a SBC Nevada, the applicable SBC owned ILEC doing business in Nevada.   | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
| GT-3            | OET<br>1.8             | Definitions       | SBC SOUTHWEST REGION 5-STATE—As used herein, SBC SOUTHWEST REGION 5-STATE means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma and Texas. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | The language is introductory and should be included. |
|                 |                        |                   | SBC PROPOSAL  |  |  |

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|-----------------|------------------------|-------------------|--|--|--|
| GT-3            | OET<br>1.10            | Definitions       | For purposes of this Appendix only, "Out of Exchange Traffic" is defined as Telecommunications Traffic, Local Calls, IP-enabled Services Traffic, ISP-bound traffic, transit traffic, or intraLATA traffic to or from a non-SBC ILEC exchange area.  | VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3's language clarifies the types of traffic that are subject to local rates. | Access charges should<br>be assessed on IP-<br>enabled traffic.                      |
| OET-<br>1       | OET 2.3                |                   | The underlying Interconnection Agreement sets forth the terms and conditions pursuant to which SBC-12STATE agrees to provide CLEC with access to unbundled network elements (UNEs) under Section 251(c)(3) of the Act, Collocation under Section 251(c)(6) of the Act, Interconnection under Section 251(c)(2) of the Act and/or Resale under Section 251(c)(4) of the Act in SBC-12STATE's incumbent local exchange areas for the provision of CLEC's Telecommunications Services. The Parties acknowledge and agree that SBC-12STATE is only obligated to make available UNEs and access to UNEs under Section 251(c)(3) of the Act, Collocation under Section 251(c)(6) of the Act, Interconnection under Section 251(c)(2) of the Act and/or Resale under Section 251(c)(4) of the | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict.   | The language is consistent with other terms in the agreement and should be included. |

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|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | Act to CLEC in SBC-12STATE's incumbent local exchange areas. SBC-12STATE has no obligation to provide such UNEs, Collocation,                  |   |                          |
|                 |                        |                   | Interconnection and/or Resale to CLEC for the purposes of CLEC providing   |   |                          |
|                 |                        |                   | and/or extending service outside of <b>SBC-12STATE</b> 's incumbent local  |   |                          |
|                 |                        |                   | exchange areas. In addition, SBC-12STATE is not obligated to provision   |   |                          |
|                 |                        |                   | UNEs or to provide access to UNEs under Section 251(c)(3) of the Act,  |   |                          |
|                 |                        |                   | Collocation under Section 251(c)(6) of the Act, Interconnection under  |   |                          |
|                 |                        |                   | Section 251(c)(2) of the Act and/or Resale under Section 251(c)(4) of the  |   |                          |
|                 |                        |                   | Act and is not otherwise bound by any 251(e) obligations in geographic   |   |                          |
|                 |                        |                   | areas other than SBC-12STATE's incumbent local exchange areas.   |   |                          |
|                 |                        |                   | Therefore, the Parties understand and agree that the rates, terms and conditions set forth in SBC-12STATE's current Interconnection Agreement, |   |                          |
|                 |                        |                   | and any associated provisions set forth elsewhere in CLEC's current  |   |                          |
|                 |                        |                   | Interconnection Agreement (including but not limited to the rates set forth in   |   |                          |
|                 |                        |                   | this Agreement associated with UNEs under Section 251(c)(3) of the Act,  |   |                          |
|                 |                        |                   | Collocation under Section 251(c)(6) of the Act, Interconnection under  |   |                          |
|                 |                        |                   | Section 251(c)(2) of the Act and/or Resale under Section 251(c)(4) of the  |   |                          |
|                 |                        |                   | Act), shall apply only to the Parties and be available to CLEC for   |   |                          |
|                 |                        |                   | provisioning telecommunication services within an SBC-12STATE  |   |                          |
|                 |                        |                   | incumbent local exchange area(s) in the State in which CLEC's current  |   |                          |
|                 |                        |                   | Interconnection Agreement with SBC-12STATE has been approved by the  |   |                          |
|                 |                        |                   | relevant state Commission and is in effect.  |   |                          |
|                 |                        |                   | SBC PROPOSAL   |   |                          |
|                 |                        |                   |  |   |                          |

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| NUMBER | ISSUE | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support                     |
|--------|-------|------------------------|-------------------|--|--|--|
|        | )E    | OET                    | Network           | Each Party to this Appendix will be responsible for the accuracy and quality   | Level 3 believes this                          | The language is                              |
| T      | -1    | 3.1                    | Management        | of its data as submitted to the respective Parties involved. Where SS7 connections exist, each Party will include the Calling Party Number (CPN) | language is duplicative of language in ITR and | consistent with other terms in the agreement |
|        |       |                        |                   | that truly and accurately reflect the location of the end user that originated   | doesn't need to be a part                      | and should be included.                      |
|        |       |                        |                   | and/or dialed the call in the information transmitted to the other for each call   | of this appendix.                              | wife sile wife of influence.                 |
|        |       |                        |                   | being terminated on the other's network. If one Party is passing CPN but the   | Tr   |  |
|        |       |                        |                   | other Party is not properly receiving CPN, the Parties will work   |  |  |
|        |       |                        |                   | cooperatively to correct the problem. Where SS7 connections exist and the  |  |  |
|        |       |                        |                   | percentage of calls passed with CPN is greater than ninety percent (90%), all  |  |  |
|        |       |                        |                   | calls without CPN exchanged between the Parties will be billed as either   |  |  |
|        |       |                        |                   | Local Calls, ISP-bound traffic, FX Traffic, Optional EAS Traffic, or   |  |  |
|        |       |                        |                   | intraLATA Toll Traffic in direct proportion to the minutes of use (MOU) of   |  |  |
|        |       |                        |                   | ealls exchanged with CPN. If the percentage of calls passed with CPN is less   |  |  |
|        |       |                        |                   | than ninety percent (90%), all calls passed without CPN will be billed as intraLATA switched access.   |  |  |
| 1      |       |                        |                   | SBC PROPOSAL   |  |  |
|        |       |                        |                   | <del></del>  |  |  |

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|-----------------|---------------------|-----------------------|---|--|--|
| OET 2           | OET<br>3.3          | Network<br>Management | Each Party will administer its network to ensure acceptable service levels to all users of its network services. Service levels are generally considered acceptable only when End Users are able to establish connections with little or no delay encountered in the network. Each Party will provide a 24-hour contact number for network traffic management issues to the other's surveillance management center.   | Level 3 believes this language is duplicative of language in ITR and doesn't need to be a part of this appendix. | The language is consistent with other terms in the agreement and should be included. |
|                 |                     |                       | SBC PROPOSAL  |  |  |
| OET 2           | OET<br>3.4          | Network<br>Management | Each Party maintains the right to implement protective network traffic management controls, such as "cancel to", "call gapping" or 7-digit and 10-digit code gaps, to selectively cancel the completion of traffic over its network, including traffic destined for the other Party's network, when required to protect the public switched network from congestion as a result of occurrences such as facility failures, switch congestion or failure or focused overload. Each Party shall immediately notify the other Party of any protective control action planned or executed. | Level 3 believes this language is duplicative of language in ITR and doesn't need to be a part of this appendix. | The language is consistent with other terms in the agreement and should be included. |
|                 |                     |                       | SBC PROPOSAL  |  |  |

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|-----------------|------------------------|-----------------------|---|--|--|
| OET 2           | OET<br>3.5             | Network<br>Management | Where the capability exists, either Party may implement originating or terminating traffic reroutes to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes shall not be used to circumvent normal trunk servicing. Such alternative routing shall be used only when mutually agreed to by the Parties  | Level 3 believes this language is duplicative of language in ITR and doesn't need to be a part of this appendix. | The language is consistent with other terms in the agreement and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |
| OET 2           | OET 3.6                | Network<br>Management | The Parties shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes to prevent or mitigate the impact of these events on the public switched network, including any disruption or loss of service to the other Party's End Users. Facsimile (FAX) numbers must be exchanged by the Parties to facilitate event notifications for planned mass calling events. | Level 3 believes this language is duplicative of language in ITR and doesn't need to be a part of this appendix. | The language is consistent with other terms in the agreement and should be included. |
|                 |                        |                       | SBC PROPOSAL  |  |  |
| OET-<br>3       | OET 3.7                | Network<br>Management | The Parties agree that, unless otherwise mutually negotiated, the quality of such network connections shall be equal to that of the existing facilities that are jointly provided by each Party or as required by Applicable Law.   | Clarifies that court and agency orders also govern the quality of network connections.                           | The language is consistent with other terms in the agreement and should be included. |

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|-----------------|------------------------|-------------------|---|---|--------------------------|
|                 |                        |                   | SBC PROPOSAL  |   |                          |
| OET-            | OET                    | Network           | Joint planning and forecasting responsibilities shall be governed by  | Intended for consistency                      | Unknown.                 |
| 2               | 3.8                    | Management        | Appendix ITR and any other relevant sections the underlying in this   | throughout the various                        |                          |
|                 |                        |                   | <u>aA</u> greement  | pieces of the Agreement                       |                          |
|                 |                        |                   |   | and to avoid confusion                        |                          |
|                 |                        |                   |   | and potential conflict.                       |                          |
|                 |                        |                   | SBC PROPOSAL  |   |                          |
|                 |                        |                   |   |   |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                               | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|------------------------|---|---|---|---|
| OET-<br>2       | OET 4.1                | Network Connections for Out of Exchange Traffic | LEVEL 3 OE LEC represents that it operates as a CLEC within SBC 12STATE exchange areas and has a Point of Interconnection ("POI") located within SBC 12STATE LATAs according to Appendix NIM of this Agreement exchange areas for the purpose exchange Telecommunications Traffic, ISP-Bound Traffic and IP-enabled Services Traffic of providing telephone exchange service and exchange access-in such SBC-132STATE's originating traffic will be delivered to LEVEL 3's—OE LEC's existing POI arrangements in the LATA where the traffic originates in accordance with the POI requirements set forth in this Appendix NIM of this Agreement. SBC 132STATE will accept LEVEL 3's OE LEC's Out of Exchange Traffic at its tandem switch or other switch where the Parties have established interconnection over local interconnection facilities Local Interconnection Trunk Groups that currently exist or may exist in the future between the Parties to or from LEVEL 3-OE LEC's out of exchange areas and—to or from SBC 132STATE's end offices. When such Out of Exchange Traffic is Local Calls and ISP bound traffic that is exchanged between the end users of OE-LEC and SBC 12STATE, the Parties agree to establish a Direct Final ("DF") end office trunk group when traffic levels exceed one DS1 (24 DS0s) to or from an SBC 12STATE End Office.—When such Out of Exchange Traffic is Transit Traffic as defined in the underlying Agreement, OE-LEC agrees to establish a Direct End Office Trunk group ("DEOT") to any third party carrier's end office when traffic levels exceed one DS1 (24 DS0s) to or from that end office. | Federal regulations and state orders allow Level 3 to establish a SPOI in each LATA served by SBC, and that SBC is obligated to provide trunking to that SPOI. SBC's proposed language is designed to get around those obligations. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |

Plain Text indicates where Level 3 believes the Parties have agreed to the text.

Tier 1 = 1-8Tier 2 = 9-20

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SBC's Proposed Language should be inserted by SBC.

|          | ISSUE<br>NUMBER    | Appendix or<br>Section | Issue Description  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|----------|--------------------|------------------------|--|--|---|--------------------------|
|          | 1, 2,<br>OET-<br>2 | OET<br>4.2             | Network<br>Connections for<br>Out of Exchange<br>Traffic | The Parties agree, that at a minimum, OE-LEC shall establish a trunk group for Local Calls, ISP-bound traffic and IntraLATA traffic from OE-LEC to each SBC-12STATE serving tandem in a LATA. This requirement may be waived upon mutual agreement of the parties. | Federal regulations and state orders allow Level 3 to establish a SPOI in each LATA served by SBC, and that SBC is obligated to provide trunking to that SPOI. SBC's proposed language is designed to | Same as above.           |
| <u>-</u> |                    |                        |  | SBC PROPOSAL   | get around those obligations.   |                          |

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Tier 1 = 1-8Tier 2 = 9-20

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|   | ISSUE<br>NUMBER    | Appendix or<br>Section | Issue Description  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|---|--------------------|------------------------|--|---|---|---|
|   | 1, 2,<br>OET-<br>2 | OET<br>4.3             | Network<br>Connections for<br>Out of Exchange<br>Traffic | Transport facilities for 911, mass calling, OS/DA and Meet Point trunking are the responsibility of OE-LEC from OE-LEC to the serving tandem or platform that provides each such service type.  | Federal regulations and state orders allow Level 3 to establish a SPOI in each LATA served by SBC, and that SBC is obligated to provide trunking to that SPOI. SBC's proposed language is designed to get around those              | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
| - |                    |                        |  | SBC PROPOSAL  | obligations.  |   |
|   | 1, 2               | OET<br>4.4             | Network<br>Connections for<br>Out of Exchange<br>Traffic | The Parties-OE-LEC shall route originating Telephone Services Traffic, ISP-Bound Traffic and IP enabled Services Traffic Local Calls, ISP bound traffic, and IntraLATA Toll Calls to the serving tandem or End Office as reflected as defined by the tandem owner in the LERGPOI. | Federal regulations and state orders allow Level 3 to establish a SPOI in each LATA served by SBC, and that SBC is obligated to provide trunking to that SPOI. SBC's proposed language is designed to get around those obligations. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------------|------------------------|--|---|---|--------------------------|
| 2               | OET<br>4.5             | Network<br>Connections for<br>Out of Exchange<br>Traffic | If SBC-132STATE is not the serving tandem as reflected in the LERG, LEVEL 3 the OE LEC may route Telephone Service Traffic, ISP-Bound Traffic and IP enabled Services Traffic Local Calls, ISP-Bound Traffic and/or IntraLATA traffic destined for End Office that subtend an SBC-12STATE tandem directly to the serving SBC-132STATE tandem or End Office, as described by Bellcore Notes On The Networks, upon mutual agreement of the Parties. Such tandem routing of other traffic types may be considered and effected upon mutual agreement of the Parties. | Federal regulations and state orders allow Level 3 to establish a SPOI in each LATA served by SBC, and that SBC is obligated to provide trunking to that SPOI. SBC's proposed language is designed to get around those obligations. | Same as above.           |
| 2               | OET<br>4.6             | Network<br>Connections for<br>Out of Exchange<br>Traffic | Except as otherwise provided in this Appendix Where any traffic is inadvertently improperly routed by one Party over any trunk groups to other party and/or which is routed outside of the mutual agreement of the Parties, the Parties will work cooperatively to correct the problem Parties understand and agree that SBC-12STATE, upon ten (10) calendar days notice to OE-LEC, may block any traffic that is improperly routed by OE-LEC over any trunk groups to SBC-12STATE and/or which is routed outside of the mutual agreement of the Parties.         | Rather than disconnecting Level 3 for a third party's actions, SBC and Level 3 should be cooperating in fixing the problem.   | Unknown.                 |

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Tier 1 = 1-8Tier 2 = 9-20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------------|------------------------|--|---|---|--------------------------|
|                 |                        |  | SBC PROPOSAL  |   |                          |
| 2               | OET<br>4.7             | Network<br>Connections for<br>Out of Exchange<br>Traffic | SBC-132STATE shall not compensate any Third Party local exchange carrier and/or Telecommunications Carrier for any traffic that is inappropriately routed to SBC-132STATE (as reflected in the LERG). Any lawful and appropriate compensation due from SBC-123STATE for such misrouted traffic shall be paid by LEVEL 3 OE LEC subject to the terms of this Agreement. The appropriateness of such routing and the correct SBC-12STATE serving tandems are reflected by SBC-12STATE in the LERG. This also includes traffic that is destined to End Offices that do not subtend SBC-132STATE tandem. SBC-132STATE shall provide notice to LEVEL 3 OE LEC pursuant to the Notices provisions of this Agreement that such misrouting has occurred. In the notice LEVEL 3 will be requested to work cooperatively with SBC-13STATE to correct the routing of such traffic OE-LEC shall be given thirty (30) calendar days to cure such misrouting or such traffic will be blocked. | Rather than disconnecting Level 3 for a third party's actions, SBC and Level 3 should be cooperating in fixing the problem. | Unknown.                 |
|                 |                        |  | SBC PROPOSAL  |   |                          |

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support  |
|-----------------|---------------------|--|---|---|---|
| 1,<br>OET-<br>2 | OET<br>4.9          | Network<br>Connections for<br>Out of Exchange<br>Traffic | 4.9Connection of a trunk group from OE-LEC to SBC-12STATE's tandem(s) will provide OE-LEC accessibility to End-Offices, IXCs, LECs, WSPs and NXXs which subtend that tandem(s). Connection of a trunk group from one Party to the other Party's End-Office(s) will provide the connecting Party accessibility only to the NXXs served by that individual End-Office(s) to which the connecting Party interconnects. Direct End-Office Trunk groups that connect the Parties End-Office(s) shall provide the Parties accessibility only to the NXXs that are served by that End-Office(s). | Federal regulations and state orders allow Level 3 to establish a SPOI in each LATA served by SBC, and that SBC is obligated to provide trunking to that SPOI. SBC's proposed language is designed to get around those obligations. | SBC should be able to require more than a single POI to interconnect with Level 3 in order to reduce SBC's costs. |
|                 |                     |  | SBC PROPOSAL  |   |   |
| 1,<br>OE<br>T-2 | OET<br>4.10         | Network<br>Connections for<br>Out of Exchange<br>Traffic | SBC-13STATE will open LEVEL 3's OE LEC-NPA-NXX codes, rated to or identified to reside in non-SBC-13STATE exchange areas, within its switches utilizing the normal LERG code opening processes. in SBC-12STATE Tandems and End Offices in accordance with the terms and conditions of the underlying agreement.   | Federal regulations and state orders allow Level 3 to establish a SPOI in each LATA served by SBC, and that SBC is obligated to provide trunking to that SPOI. SBC's proposed language is designed to get around those obligations. | Unknown.  |

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|   | ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description            | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support            | SBC Position/<br>Support |
|---|-----------------|------------------------|------------------------------|--|--|--------------------------|
|   | 3               | OET<br>6.1             | Transit Traffic Compensation | The terms and conditions for Transit Traffic exchanged between the Parties shall be as set forth in this the underlying Agreement  | Level 3 views the ICA as on agreement, rather than       | Unknown.                 |
| l |                 | 0.1                    | Compensation                 |  | 18 different agreements. This change reflects that view. |                          |
|   |                 |                        |                              | SBC PROPOSAL   |  |                          |
|   | 2               | OET<br>9.1             | InterLATA Local Traffic      | SBC Region will exchange SBC Region InterLATA local traffic that is covered by an FCC approved or court ordered InterLATA boundary waiver. SBC Region will exchange such traffic using DF-two-way trunk groups (i) via a facility to Level 3's POI in the originating LATA, or (ii) via a facility meet point arrangement at or near the exchange area boundary ("EAB"), or (iii) via a mutually agreed to meet point facility within the SBC Region exchange area covered under such InterLATA waiver. If the exchange where the traffic is terminating is not an SBC Region exchange, SBC Region shall exchange such traffic using a DF-two-way trunk group (i) via a facility to Level 3's POI within the originating LATA or (ii) via a mutually agreed to facility meet point arrangement at or near the EAB. SBC Region will not provision or be responsible for facilities located outside of SBC Region exchange areas | Clarify trunking requirements.                           | Unknown.                 |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description          | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|----------------------------|--|--|--------------------------|
|                 |                        |                            | SBC PROPOSAL   |  |                          |
| 2               | OET<br>9.2             | InterLATA Local<br>Traffic | The Parties agree that the associated traffic from each SBC-1STATE End Office will not alternate route.  | Industry accepted methods and standards of traffic engineering require that traffic be permitted to alternate route. | Unknown.                 |
|                 |                        |                            | SBC PROPOSAL   |  |                          |
| 2               | OET<br>9.4             | InterLATA Local<br>Traffic | Except as otherwise provided in this Appendix where any traffic is inadvertently improperly routed by one Party over any trunk groups to other party and/or which is routed outside of the mutual agreement of the Parties, the Parties will work cooperatively to correct the problem, the Parties understand and agree that SBC-12STATE, upon ten (10) calendar days notice to OE-LEC, may block any traffic that is improperly routed by OE-LEC over any trunk groups to SBC-12STATE and/or which is routed outside of the mutual agreement of the Parties. | Rather than disconnecting Level 3 for a third party's actions, the Parties should be cooperating to fix the problem. | Unknown.                 |
|                 |                        |                            | SBC PROPOSAL   |  |                          |

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| NOMBEN | ISSUE     | Appendix or<br>Section | Issue Description          | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|--------|-----------|------------------------|----------------------------|--|--|--------------------------|
|        | 2         | OET<br>9.5             | InterLATA Local Traffic    | SBC-12STATE shall not compensate any Third Party local exchange carrier and/or Telecommunications Carrier for any traffic that is inappropriately routed to SBC-12STATE (as reflected in the LERG). Any compensation due SBC-12STATE for such misrouted traffic shall be paid by LEVEL 3. The appropriateness of such routing and the correct SBC-12STATE serving tandems are reflected by SBC-12STATE in the LERG. This also includes traffic that is destined to End Offices that do not subtend SBC-12STATE tandem. SBC-12STATE shall provide notice to LEVEL 3 pursuant to the Notices provisions of this Agreement that such misrouting has occurred. In the notice  LEVEL 3 will be requested to work cooperatively with SBC-13STATE to correct the routing of such traffic OE-LEC shall be given thirty (30) calendar days to cure such misrouting or such traffic will be blocked. | Rather than disconnecting Level 3 for a third party's actions, the Parties should be cooperating to fix the problem. | Unknown.                 |
|        |           |                        |                            | SBC PROPOSAL   |  |                          |
|        | DET-<br>2 | OET<br>9.6             | InterLATA Local<br>Traffic | SBC-132STATE will open LEVEL 3 NPA-NXX codes, rated to or identified to reside in non-SBC-132STATE exchange areas, within its switches utilizing the normal LERG code opening processes in SBC-12STATE Tandems and End Office(s) in accordance with the terms and conditions of the underlying agreement.  | This is a complete single agreement, not an "underlying" agreement.  | Unknown.                 |
|        |           |                        |                            | SBC PROPOSAL   |  |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                                  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals                                  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|--|--|--|--------------------------|
| GT-4            | OET<br>10              | Applicability of other rates, terms and conditions | The definitions have been moved to the definitions section of General Terms and Conditions.            | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
| GT 3            | CHC<br>1.2 – 1.9       | Definitions  | Level 3 proposes to move all definitions to GT&C so that terms are consistent throughout the contract. | Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict. | Unknown.                 |
|                 |                        |  | SBC PROPOSAL   |  |                          |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support                  |
|-----------------|------------------------|-------------------|--|---|---|
| OET-            | CHC<br>3.1             | Pricing           | CHC is a time sensitive labor operation. Total charges are <u>TELRIC rates</u> approved by the Commission and appended-heretodetermined by a number of factors including the volume of lines, day of the week, and the time of day requested for the cut over. | Level 3 makes clear that Coordinated Hot Cut services are to be rated at the TELRIC of the service. SBC's proposal would have the Commission adopt some nebulous quasi-formula that would result in inconsistent charges varying by day, carrier and lines. | CHC should not be priced at TELRIC rates. |
|                 |                        |                   | <u>SBC PROPOSAL</u>  |   |   |

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|---|---|--------------------------|
| 20              | CHC<br>3.2             | Pricing           | When CLEC orders CHC service, SBC-13STATE shall charge and CLEC agrees to pay for CHC service the TELRIC rates established by the relevant Commission at the "additional labor" or "Time and Material" rates set forth in the following applicable Tariffs or Appendix Pricing, Schedule of Prices: | Level 3 makes clear that Coordinated Hot Cut services are to be rated at the TELRIC of the service. SBC's proposal would have the Commission adopt some nebulous quasi-formula that would result in inconsistent charges varying by day, carrier and lines. | Same as above.           |
|                 |                        |                   | SBC PROPOSAL  |   |                          |

Tier 1 = 1-8

Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or Section    | Issue Description                                  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support   |
|-----------------|------------------------|--|--|--|--|
| 20              | CHC<br>3.2.1-<br>3.2.5 | Pricing  | SBC MIDWEST REGION 5-STATE — FCC No. 2 Access Services Tariff, Section 13.2.6 (c)—SBC-13STATE — will not charge the additional labor rate in a particular state in the SBC MIDWEST 5-STATE region until the effective non-recurring dockets: IL — 98-0396, IN— Cause 40611-S1, MI — U-11831, OH — 96-922-TP UNC, and WI— 6720-TI-120, are superceded by that state's commission order approving new non-recurring UNE rates  SBC NEVADA — PUCN, Section C13A, 13.2.6(c)  SBC SOUTHWEST REGION 5-STATE — Appendix Pricing, Schedule of Prices, "Time and Materials Charges"  SBC CONNECTICUT — Connecticut Access Service Tariff, Section 18.1(3) | The rates must be TELRIC. SBC presents no evidence that the rates listed in these tariffs have ever been reviewed for TELRIC compliance.     | Same as above.   |
|                 |                        |  | SBC PROPOSAL   |  |  |
| GT-4            | CHC<br>4               | Applicability of other rates, terms and conditions | Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element  | For consistency, the various similar sections in the numerous appendices in this agreement should all be consolidated to the General Terms & | SBC believes this language is necessary to show the parties' intent. |

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Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|---|--------------------------|
|                 |                        |                   | provided hereunder: definitions, interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnification; remedies; intellectual property; publicity and use of trademarks or service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; no third—party—beneficiaries; disclaimer—of—agency; relationship—of—the Parties/independent—contractor; subcontracting; assignment; responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; signaling; transmission of traffic to third parties; customer inquiries; expenses; conflicts of interest; survival; scope of agreement; amendments and modifications; and entire agreement  SBC PROPOSAL | Conditions.   |                          |
| GT 3            | CH 1.2 -<br>1.24       | Definitions       | Level 3 proposes to move all definitions to GT&C so that terms are consistent throughout the contract.   | For consistency, the various definitions in the numerous appendices in this agreement should all be consolidated to the General Terms & Conditions. | Uknown.                  |

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Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals  | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|-------------------|--|--|--------------------------|
|                 |                        |                   | SBC PROPOSAL   |  |                          |
| CH-1<br>GT 3    | CH<br>1.26             |                   | In SBC-2STATE, the exchange of certain alternately billed intrastate intraLATA message toll call records and the reporting of appropriate settlement revenues owed by and among participating LECs, CLECs and SBC-2STATE is facilitated via the Message Exchange Appendix. | It is Level 3's understanding that SBC no longer offers service via a Message Exchange Appendix, and the Parties have not attempted to negotiate the terms thereof. Thus, Level 3 removes the Section. SBC's position is unknown at this time. | Unknown.                 |
|                 |                        |                   | SBC PROPOSAL   |  |                          |
| GT 3            | CH<br>1.27             |                   | The exchange of certain alternately billed intrastate intraLATA message toll call records and the reporting of appropriate settlement revenues owed by and among participating LECs, CLECs and SBC CONNECTICUT, is technically infeasible in SBC CONNECTICUT               | Carriers nationwide exchange alternately billed intrastate intraLATA message toll call records and the reporting of appropriate settlement revenues owed by and among  | Unknown.                 |

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Tier 2 = 9 - 20

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| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description            | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support  | SBC Position/<br>Support |
|-----------------|------------------------|------------------------------|---|--|--------------------------|
|                 |                        |                              | <u>SBC PROPOSAL</u>   | participating LECs, CLECs and ILECs via the CMDS process. However, SBC asserts that it is technically infeasible in CT, uses only category 92 Records in SWBT. So SBC has yet to provide a reason as to why this is technically infeasible in Connecticut or why they still insist upon an archaic system in SWBT territory. |                          |
| CH-3            | CH<br>2.1              | Clearinghouse<br>Description | SBC SOUTHWEST REGION 5-STATE operates a CH for the purpose of facilitating the exchange of certain alternatively billed intrastate intraLATA message toll call records and the reporting of settlement revenues owed by and among participating LECs and CLECs, including SBC SOUTHWEST REGION 5-STATE and CLEC. SBC SOUTHWEST REGION 5-STATE | Level 3 and SBC bill reciprocal compensation invoices and intraLATA toll invoices everywhere else in SBC-13State   | Unknown.                 |

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| ISSUE<br>NUMBER | Appendix or Section | Issue Description          | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support   | SBC Position/<br>Support |
|-----------------|---------------------|----------------------------|---|---|--------------------------|
|                 |                     |                            | agrees to bill reciprocal compensation according to terminating records instead of the Category 92 process.   | territory based upon each Parties' terminating recordings. Moreover, to the best of Level 3's knowledge, in almost every case, ILECs nationwide bill the same way. Processing SBC's category 92 records imposes additional costs and delays upon Level 3. |                          |
|                 |                     |                            | SBC PROPOSAL  |   |                          |
| GT 2            | CH<br>9.1           | Limitation of<br>Liability | By agreeing to operate the CH, <u>SBC SOUTHWEST REGION 5-STATE</u> assumes no liability for any LEC's or CLEC's receipt of appropriate revenues due to it from any other entity. CLEC agrees that <u>SBC SOUTHWEST REGION 5-STATE</u> will not be liable to it for damages (including, but not limited to, lost profits and exemplary damages) which may be owed to it as a result of any inaccurate or insufficient information resulting from any entity's actions, omissions, mistakes, or negligence, <u>but excluding its willful misconduct</u> , and upon which <u>SBC SOUTHWEST REGION 5-STATE</u> may have relied in preparing settlement reports or performing any other act under this Attachment. | Liability for willful conduct should be assumed by SBC.   | Unknown.                 |

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Underlined Text (i.e. text) indicates where Level 3 believes that SBC does not agree with Level 3's proposal.

SBC's Proposed Language should be inserted by SBC.

| NUMBER | ISSUE | Appendix or<br>Section | Issue Description          | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support |
|--------|-------|------------------------|----------------------------|---|---|--------------------------|
|        |       |                        |                            | SBC PROPOSAL  |   |                          |
| G      | ST 2  | CH<br>9.2              | Limitation of<br>Liability | REGION 5-STATE harmless against and with respect to any and all third party claims, demands, liabilities or court actions arising from any of its actions, omissions, mistakes or negligence reasonably related to performing the duties under this Attachment and that occurred occurring during the course of SBC SOUTHWEST REGION 5-STATE's performance of CH processing pursuant to this Attachment | Clarifies the Parties' obligations.           | Uknown.                  |
|        |       |                        |                            | SBC PROPOSAL  |   |                          |

Plain Text indicates where Level 3 believes the Parties have agreed to the text.

Underlined Text (i.e. text) indicates where Level 3 believes that SBC does not agree with Level 3's proposal.

Tier 1 = 1-8Tier 2 = 9-20

SBC's Proposed Language should be inserted by SBC.

| ISSUE<br>NUMBER | Appendix or<br>Section | Issue Description                                  | Level 3 Communications, LLC Proposed Language<br>SBC Counterproposals   | Level 3<br>Communications<br>Position/Support | SBC Position/<br>Support  |
|-----------------|------------------------|--|---|---|---|
| GT4             | CH<br>11.1             | Applicability of other rates, terms and conditions | Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder: definitions; interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnification; remedies; intellectual property; publicity and use of trademarks or service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; no third party beneficiaries; disclaimer of agency; relationship of the Parties/independent contractor; subcontracting; assignment; responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; signaling; transmission of traffic to third parties; customer inquiries; expenses; conflicts of interest; survival; scope of agreement; amendments and modifications; and entire agreement. |   | SBC believes the language is necessary to show the parties' intent. |
|                 |                        |  | SBC PROPOSAL  |   |   |